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ABSTRACT

This unit on the Federalist era of U.S. history examines some of the issues that have endured from the earliest days of the nation to the present: free speech, the right to rebel, foreign policy, the balance of federal and state authority, and the relative importance of various constituencies. Student understanding of such issues develops through examination of the issues as faced by President Washington and two of his closest advisors, Alexander Hamilton and Thomas Jefferson. At some points, the text calls upon students to act as advocates, elsewhere, as critics. In working with the material, students must think through the issues, organize their thoughts, and express those thoughts orally and on paper. Some of the chapter topics are "The New Nation", an introduction to the unit's major issues; "Paying the National Debt"; "Neutrality and the Jay Treaty"; and "Jeffersonians in Office." The document includes a foreward, an introduction, an explanation of sources, and suggested student readings. (SG)

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THE FEDERALIST ERA

by Thomas Ladenburg

SSEC American History Series

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Thomas Ladenburg

Social Science Education Consortium
Boulder, Colorado
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FOREWORD

Recent research indicates rather clearly that students' knowledge of U.S. history falls far short of what we as educators would deem to be desirable or even adequate. It is less clear, however, that some researchers' indictments of social studies curricula as too focused on process explain the shortfalls. In fact, analysis of such test data as the National Assessment of Educational Progress indicates that students perform less well on questions that assess their skills in gathering and processing information than on those that evaluate their understanding of facts and concepts.

In a 1986 article in *Social Education*, Fred M. Newmann may have identified issues that strike closer to the truth behind our difficulties in history – and more broadly social studies – instruction: the desire for broad coverage at the expense of depth of understanding, students' disengagement (or boredom!) with social studies, and mediocre teaching. Newmann suggested a three-pronged attack on these problems: replacing coverage with depth, engaging students through modifications in teaching strategies and improvements in school culture, and encouragement of teacher collegiality.

Because Newmann's recommendations resonate with the staff of the Social Science Education Consortium, we are happy to be publishing this volume, the third in a series of U.S. history units. Each unit will enable teachers to delve into a particular topic or period in depth. In addition, because the units have been used by the author and scores of other teachers in Massachusetts, they embody successful teaching practices that others can easily implement.

As we publish additional units, we welcome users' feedback. In fact, we would like nothing better than to be the facilitator for a network of history teachers exchanging ideas and materials that work. We invite your participation.

James R. Giese, Executive Director
Social Science Education Consortium

INTRODUCTION

Unit Overview

This unit deals with four enduring issues in the context of how they were faced in the early years under the U.S. Constitution. The issues are introduced in Chapter 1, while Chapter 2 presents the thinking of two key figures of the era – Thomas Jefferson and Alexander Hamilton – on the issues. Subsequent chapters provide more detail about the issues, which are:

- Should the government seek the support of the rich or follow policies intended to help poor and middle-income people? (Chapters 3 and 4)
- Should the government seek to establish its authority over the states or give them as much power in local matters as possible? (Chapters 3, 4, and 5)
- Would it be more important for the government to make sure the people obey its laws or to protect the rights of its people? (Chapters 5 and 7)
- In its relations with other countries, should the government follow a policy of meeting its treaty commitments or protecting its interests? (Chapter 6)

After learning about these issues, students participate in a simulation of the hotly contested presidential election of 1800. The concluding chapter looks at the years between Jefferson's election and the War of 1812, focusing on how leaders of both parties changed their views in response to events during the intervening years.

Purpose and Rationale

This unit involves students in examining historical issues that have endured from the early days of the nation to the present – the limits of freedom of speech and the "right to rebel," the proper basis for determining a nation's foreign policy, the balance of federal and state authority, and the relative importance of various constituencies. Students' understanding of these issues will be deepened by considering how the issues manifested themselves under Washington and his successors and by studying the thinking of Washington's two closest advisors, two men still regarded as being among America's foremost political thinkers – Alexander Hamilton and Thomas Jefferson.

At the very least, students who complete the unit will learn a great deal about the events of the federalist era. At best, however, students will have done far more. They will have thought through important issues and will have taken several perspectives on those issues, acting at some points as advocates of a position and at other times reflecting as critics. They will have been required not only to think through the issues but to organize their thoughts, present them orally, and then commit those thoughts to paper. They will have participated in a unique inquiry experience that effectively combines both the affective and cognitive domains.

Summary of Chapter Activities

The following outline of each chapter may serve as a guide for teachers in preparing their lessons.

Chapter 1: The New Nation

This chapter introduces students to the major issues of the unit, as listed above. They learn that they will examine these issues by studying how President Washington and his successors resolved the problems that faced the young country.

Chapter 2: Hamilton and Jefferson – The Men and Their Philosophies

In this chapter, students examine the personal lives and political philosophies of Thomas Jefferson and Alexander Hamilton, key advisors to President Washington. Their views on the unit's major issues

are presented. Several students are asked to assume the roles of Jeffersonians or Hamiltonians for the rest of the unit.

Chapter 3: Paying the National Debt

This chapter covers the issue of paying the national debt. Students debate and vote on three proposals that were placed before the U.S. government. They then learn what decision was actually reached.

Chapter 4: Hamilton, Jefferson, and the First National Bank of the United States

The focus of this chapter is the function of the proposed national bank. The arguments for and against the bank are presented, and students are asked to determine which arguments they feel are most persuasive.

Chapter 5: The Whiskey Rebellion

Students are introduced to the issues underlying the Whiskey Rebellion, as well as Hamilton's and Jefferson's views on how the rebellion should have been handled. Students write essays on whether the rebellion was justified and learn about the actual resolution of the crisis.

Chapter 6: Neutrality and the Jay Treaty

In this chapter, students focus on the issue of neutrality versus honoring commitments. Students learn about the various positions on whether the U.S. should remain neutral or help France in accordance with the French Treaty of 1778. They learn of the terms of the Jay Treaty and vote on whether they believe the treaty should have been ratified in order to avoid war with Britain.

Chapter 7: The Sedition Act

This chapter looks at the decline of U.S.-French relations following the ratification of the Jay Treaty. It also presents arguments for and against the Sedition Act and focuses on the trial of one person charged under the act. An epilogue to the chapter explains the states' rights theory embodied in the Virginia and Kentucky Resolutions.

Chapter 8: The Election of 1800

Chapter 8 includes the central activity of the unit – a simulation of the presidential election of 1800. Participation in the simulation is followed by writing essays on whether the Federalists deserved to win the election.

Chapter 9: Jeffersonians in Office

This final chapter looks at the years between Jefferson's election and the War of 1812. Students discuss whether the Jeffersonians were true to their ideals after being elected. The long controversy over neutrality is also covered, along with the eventual decision to declare war against Great Britain. Students conclude the unit by using what they have learned to make predictions about the election of 1816, the future of the national bank, and the interpretation of the elastic clause.

Components of the Program

Three kinds of materials are presented to help teachers use the unit. First are the teacher directions, which include the following information for each chapter: an overview of the content and procedures for that chapter, objectives, an estimate of the time required, a list of materials needed, step-by-step procedures for teaching the lesson, and an assignment for students to complete in preparation for the next chapter.

For some chapters, handouts other than the student reading are also provided. These are worksheets or directions for other kinds of activities. The masters for these handouts are presented im-

mediately following the teacher directions for the chapter, allowing them to be distributed separately if you wish.

Each chapter also includes student reading material. The student reading material is presented at the end of the book (see page 41). For cost reasons, the material is printed on both sides of the paper. If you do not have a copy machine that can handle this type of original, you will need to copy one side of each page and insert the copies with the originals to form a complete master set for duplication. We regret any inconvenience this may cause. If copied and stapled together as a book, the readings can be reused.

CHAPTER 1: THE NEW NATION

Overview:

This chapter introduces students to the major issues of the unit:

- What functions are best performed by the national government rather than the states?
- Should the government seek the support of the rich and powerful or do more to help the poor and needy?
- What are the proper limits of the right to protest and the freedom of speech and press?
- Should foreign policy be directed primarily at protecting U.S. interests or honoring its commitments and defending its friends?

While these questions arose in the first 12 years of U.S. history under the new Constitution, they are enduring issues that still challenge us.

The chapter begins by looking at some of the major problems confronting President Washington as he took office: lack of unity, the economy, foreign relations, and money and credit. Students learn of Washington's triumphant trip north from Virginia to assume the presidency in New York City and his serious doubts about whether he could resolve the problems facing his young country. The chapter also covers the formation of the federal judiciary, the debate over the title by which the president was to be addressed, and the first ten amendments to the Constitution.

Objectives: At the conclusion of this lesson, students should be able to:

1. Explain four major problems facing President Washington and the nation during the first years under the U.S. Constitution.

2. Understand the four major issues of government presented in the chapter.

3. Describe the decisions made during Washington's first administration regarding the president's title, formation of the first cabinet, establishment of the Supreme Court and subordinant federal courts, and the passage and ratification of the first ten amendments to the Constitution.

Time Required: 1 class period

Materials: Copies of student Chapter 1 for all students

Procedure:

1. Before students read the chapter, tell them they will be studying a period of time known to historians as the Federalist Era, 1789-1801; write the name of this era on the chalkboard for students to copy into their notes. Give a brief preview of the chapter and unit by telling students they will learn how the first administration under the new federal Constitution dealt with four philosophical issues of government that are still relevant today. These issues are dividing power between the national and state governments, winning the support of the rich and powerful or helping the poor and needy, setting the limits of dissent, and determining criteria for making foreign policy decisions. Introduce students to some of the leading people of the era—Washington, Hamilton, Jefferson, Madison, and Adams—helping students summarize what they know about each.

2. If students have not already read Chapter 1, allow time to read it in class. In a class discussion, review Washington's trip to his inauguration, focusing on the contrast between the uncertainties he felt and the faith the American people had in him. Call students' attention to the decisions regarding addressing the President, forming the cabinet, establishing the Supreme Court and subordinant federal courts, and passing the Bill of Rights.

3. You may wish to review the answers to the "Chapter Questions." Some possible answers are given below:

1. Possible definitions/explanations:

   - "place of his execution" – Washington was so filled with dread at the prospect of the inauguration, he compared himself to a criminal going to be executed.
   - Governor Clinton – the New York governor's opposition to joining the union was indicative of the lack of unity in the new nation.
   - "frail and worthless" document – Alexander Hamilton's characterization of the Constitution.
   - ships at anchor – the ships standing in New York's harbor symbolized the poor economic conditions of the nation.
   - paper money – with little gold and silver, states printed paper money that soon lost most of its value.
   - 13 treaties – British leaders scornfully claimed they would need to negotiate 13 treaties because the national government lacked the power to enforce a treaty under the Articles of Confederation.
   - Michigan – when Washington took office, the British had not yet left forts in Detroit, Michigan, which the treaty ending the Revolution required.
   - New Orleans – the Spanish controlled this important port on the mouth of the Mississippi and could have closed it at any time.
   - the debt – amounted to $50,000,000, not counting state debts.
   - "His Highness" – title for the president suggested by John Adams.
   - the cabinet – departments of government created by Washington; the cabinet included two philosophical opposites, Alexander Hamilton and Thomas Jefferson.
   - need for the federal courts – Madison argued that state courts could not be trusted to rule on cases contrary to their own interests.
   - the Bill of Rights – the first eight amendments to the Constitution; Amendment IX stated that the omission of particular rights did not necessarily mean they were not granted, and Amendment X gave states powers that were not denied them or granted the federal government.

2. President Washington had to face these four major problems:

   - lack of unity – the nation was divided into three distinctly different regions. Many people in three states (Rhode Island, North Carolina, and New York) would rather have stayed out of the union. The country was also divided because some people feared the return of a monarchy under the Constitution, while others wanted one.
   - the economy – the economy had not yet recovered from the Revolution. Ships stood at anchor while sailors waited idly by. Paper money used to finance the war became worthless; without gold and silver to back currency, states continued printing paper money.
   - foreign relations – without power to execute its treaties and without a military capable of enforcing them, the new nation had been unable to negotiate good trade treaties. Under the Articles, the United States had not able to get the British out of the Northwest, nor to force the Spanish to guarantee Americans the right of navigating the Mississippi.

- money and credit – because states did not contribute their share to the federal government, it had borrowed money from its citizens and from foreign countries. The debt, including interest, was estimated at $50,000,000 – a staggering sum for those days.

3. Allow students to present their solutions to these problems, along with their supporting reasoning.

Preparation for Chapter 2:

Point out that the next chapter presents brief biographies and the political philosophies of the giants in Washington's cabinet – Alexander Hamilton, and Thomas Jefferson. Tell students putting these two in the same cabinet would be similar to having Senator Ted Kennedy in the same cabinet with former President Ronald Reagan. Assign students to read the chapter and complete the definition/explanation questions. For question 2, ask half of the class to prepare a presentation that supports Hamilton and opposes Jefferson and the other half to support Jefferson and oppose Hamilton.

CHAPTER 2: HAMILTON AND JEFFERSON – THE MEN AND THEIR PHILOSOPHIES

Overview:

This chapter examines the personal lives and political philosophies of Thomas Jefferson and Alexander Hamilton. Hamilton is portrayed as a man who rose from humble beginnings to become an aide to Washington during the Revolution, major force in formation of the Constitution, and leading figure in the Federalist Era. Jefferson is portrayed as born to wealth, articulating the ideals for which the American Revolution was fought, encouraging the French Revolution, and serving Washington while opposing Hamilton. This chapter highlights the irony that Jefferson, despite his wealth and slaves, championed the cause of the common man, while the lowly born Hamilton espoused the cause of the rich and well-born.

Hamilton and Jefferson are quoted on five major issues: the nature of man (and which social classes the government should support), the need for a strong government, the importance of a bill of rights, the advisability of rebellions and how they should be handled, and whether the future of America would be agricultural or industrial. Several students will assume the roles of Jeffersonians or Hamiltonians for the rest of the unit.

Objectives: At the conclusion of this lesson, students should be able to:

1. State the philosophies of Hamilton and Jefferson on at least three of the areas covered in the reading.

2. Explain how the two men's opinions on these issues were related.

3. Explain why they are Jeffersonians or Hamiltonians.

Time Required: 1 class period

Materials: Copies of student Chapter 2 for all students

Procedure:

1. Review the assignment from the previous day by briefly discussing the definition/explanation questions and/or quickly checking that students did them. Possible definitions/explanations are:

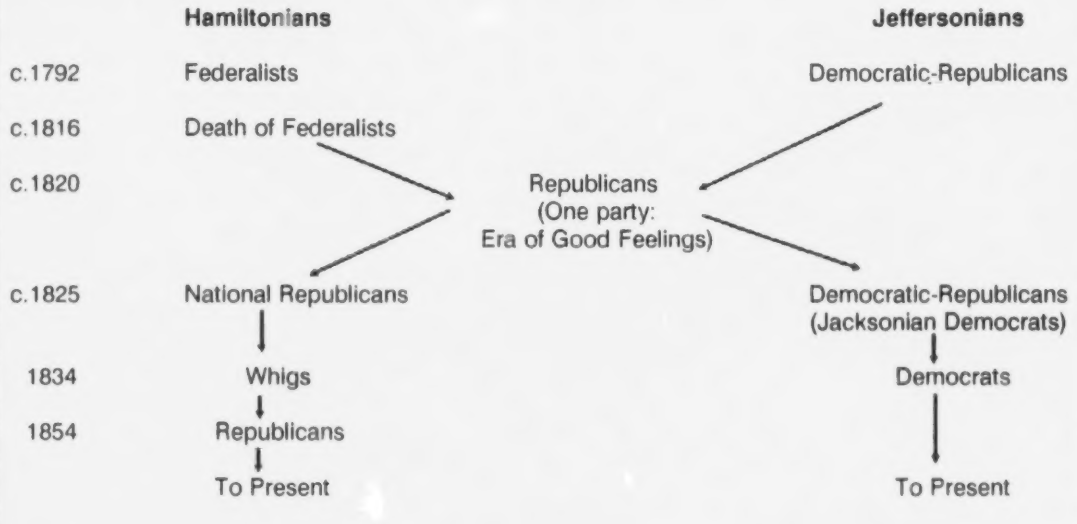
- managing an important business – Hamilton managed an important trading business at age 14, providing an early indication of his capabilities.
- Elizabeth Schuyler – Hamilton's wife, Elizabeth was the daughter of a wealthy and influential New Yorker.
- organized Federalist party – Hamilton played a major role in forming this party, particularly through his writing.
- Aaron Burr – Jefferson's vice president, he killed Hamilton in a duel on July 12, 1804.
- Declaration of Independence – written by Thomas Jefferson, this famous document expressed the political philosophy on which the United States was founded.
- beloved wife – Jefferson's wife died in 1781, leading to his temporary retirement from politics.
- Republican party – this party founded by Jefferson was the forerunner of the present-day Democratic party.
- views on the nature of man – Hamilton and Jefferson had very different views on this issue, with Hamilton believing that the masses were evil and needed to be restrained by the upper

classes and Jefferson believing the people could be trusted with their own government if they were well-informed.

- views on the power of government – Hamilton believed a strong national government was needed; Jefferson wanted a government closer to the people.
- views on the need for a bill of rights – Hamilton thought such a bill was unnecessary and dangerous; Jefferson thought the main duty of the government was to protect people's rights.
- views on rebellions – Jefferson thought rebellions were often a good thing; Hamilton believed the opposite and advised firm and quick suppression.
- views on industrializing – Hamilton's vision for America's future was an industrial country; Jefferson's was a nation of independent farmers.

2. Ask students to present their evaluations of Hamilton's and Jefferson's philosophies and biographies. Make sure they explain why they like or agree with the political philosophy of one and do not like the philosophy of the other. You may want to use the diagram below to explain to students how the differences in philosophy led to the development of political parties:

Evolution of Major Parties



From *The American Pageant: A History of the Republic*, by Thomas Bailey (Lexington, MA: D.C. Heath, 1971), p. 172.

3. Ask students to volunteer to play the parts of Jeffersonians or Hamiltonians for the remainder of this unit. Try to recruit from two to four students on each side.

Preparation for Chapter 3:

Point out that the first important conflict between Hamilton and Jefferson occurred over the issue of paying the national debt, an issue covered in Chapter 3. Ask students to read the chapter, do the definition/explanation exercises, and come to class prepared to argue in favor of paying the debt at face value, paying at market value, or discriminating among buyers when paying. Ask the Hamiltonians to argue for paying face value, and the Jeffersonians to argue either for paying market value or discriminating. Be sure each position has at least some supporters..

CHAPTER 3: PAYING THE NATIONAL DEBT

Overview:

This chapter covers the issue of paying the national debt. Students are introduced to the issue with an explanation of Alexander Hamilton's role in retiring 400,000,000 paper dollars at the rate of 40 paper dollars to one gold dollar. The chapter then describes the funding issue as a choice between the U.S. government's (1) paying face value for its outstanding debt of $50,000,000, in addition to assuming (also at face value) the $20,000,000 state debts; (2) paying only the $10,000,000 market value of the debt and letting the states take care of their own obligations; or (3) paying on the national debt according to James Madison's complicated proposal, which included paying face value only to the original holders who still possessed the bonds. The chapter explains each of these options, presenting quotes from contemporaries. Students debate and vote on the issue before finding out the actual decision that was reached.

Objectives: At the conclusion of this lesson, students should be able to:

1. Understand the need for a new government, like that of the United States, to establish credit.

2. Understand the arguments for paying the debt at market value or face value and for discriminating in favor of original bondholders.

3. State their own arguments for one of the three positions and explain the weaknesses in the arguments for opposing viewpoints.

4. Explain the assumption issue and why Alexander Hamilton insisted that the federal government assume the states' war debts.

Time Required: 1-2 class periods

Materials: Copies of student Chapter 3 and Handout 3-1 for all students

Procedure:

1. Review the assignment from the previous day, briefly discussing the definition/explanation questions and/or checking to make sure students did them. Possible definitions/explanations are:

- paper money – following a proposal made by Alexander Hamilton, 400,000,000 paper dollars were repaid with only $1,000,000 in gold coin.
- bonds – bonds were issued by the national and state governments to borrow money during the American Revolution.
- face value – the amount of money printed on the face of bonds, which the government was obligated to repay.
- market value – the amount bonds were actually selling for, in many instances about 20 percent of the original face value.
- discrimination – proposal made by James Madison to pay original holders face value, speculators who had bought the bonds market value, and the original holders who sold their bonds the difference between face and market value.
- public credit – the purpose of Hamilton's plan was to restore public credit, the faith that incurred debts will be repaid as promised.
- Fisher Ames – this Congressman argued that governments are formed to protect property values (as opposed to human values).

- inflation – argument proposed by Congressman Livermore that bonds were issued, in many cases, for far more money than goods were worth.
- political aims – three different political aims were factors; Hamilton wanted to gain support of the rich; Livermore did not want to reward speculators or pay a huge national debt; Madison wanted the national government to gain a reputation for being fair.
- assumption – Hamilton's plan for the federal government to pay the states' debt at face value.

2. Briefly review the case for each of the options, as suggested in question 2. Points to be covered include the following:

- face value – keep faith with the lender (it was a promise or an obligation), establish credit for the U.S. government, win the support of the wealthy and well-born, whose backing was needed for government to operate effectively and the country to prosper.
- market value – save money (otherwise debt would total $70,000,000 and interest payments alone would consume 40 percent of national government's budget), not reward speculators who bought up federal bonds at market value prices around 20 percent of face value, account for inflated prices for which bonds were often issued, follow precedent established in redeeming paper money at 40:1 ratio.
- discrimination – not reward rich speculators for trading on insider information, but reward people who originally bought the bonds (even if they sold them at low prices), give the government the reputation of being fair (giving real justice).

3. Break the class into groups of those favoring Hamilton's plan, those favoring Madison's, and those favoring paying market value. Few students will be attracted to paying market value even though it is consistent with scaling down value of paper money, saves money, and does not reward speculators with inside information; consequently, you may need to assign some students to this group. Give each group about five minutes to prepare for the debate while you circulate, offering help when needed and keeping students on task. You may distribute Handout 3-1 to provide students with additional arguments. Undecided students can spend time developing challenging questions to ask the debators; the handout will also be useful in preparing such questions.

4. Start the debate by asking each group to make an opening statement while other students take notes on what they hear. Then allow students to disagree with what others have said. While students are engaged in debate, use a variety of means to keep the debate focused and every student involved. Some suggested techniques are:

- Inform students that no one on any side of the debate can speak a second time until at least two or three other students on that side (depending on what you can realistically expect) have spoken once.
- Repeat every point made, like a television talk-show host, and challenge other students to respond to it.
- Write statements made by each side on the board.
- Allow students to circulate among the undecided and engage them in direct arguments.
- Award one or two points for each good argument and for each good rebuttal.

5. Vote for each plan at the end of the debate. You may wish to have a little stack of home-made bonds on hand to distribute to undecided students to see if this will swing votes and/or encourage more discussion.

6. Give students some of the following information regarding the outcome of Hamilton's plan:

- The plan was approved only after Jefferson and Madison persuaded some of their followers to support it in exchange for an agreement to have the nation's capital moved to what is now Washington, D.C.

- Paying and servicing the debt cost the government $5,000,000 a year, 80 percent of the cost of running the entire government.
- The debt was paid by giving bondholders U.S. securities pledged at 4 percent interest for payment at face value.
- U.S. credit in international markets was firmly established by actions taken to implement Hamilton's funding proposal. U.S. bonds in some cases actually sold above their face value; Europeans, faced with a war on the continent, invested their money in U.S. bonds, which were frequently used almost like money to pay for goods and services.

Preparation for Chapter 4:

Point out that the class will be studying other issues raised by Hamilton's program. In Chapter 4 they will study Hamilton's proposal for a national bank modeled after England's. This proposal raised two important questions – how such banks create money, and whether the Constitution gives Congress the power to establish one. Students should read the chapter, answer the definition/explanation questions, and come to class prepared to discuss (1) how the bank of the United States proposed by Hamilton would create money and (2) whether the bank was constitutional.

LETTERS TO NEWSPAPERS ON PAYING THE NATIONAL DEBT

Supporting Hamilton

The holders of bonds are called speculators. And what then? Is not every member of the community a speculator? Is it not as just and as honorable to speculate in bonds as in houses, land, articles of merchandise, etc., especially when the present holders had pity on the original holders and bought their bonds at the market price and at considerable risk to themselves while many of those who sympathized with England would not touch them? Isn't it the same men who had too little faith in America to hold on to their bonds who are now raising such an outcry?

But the bonds have altered in value. Very true. What kind of property is it that has not undergone the same fate, gold itself not excepted? Did they not change in value while the original holders had them? Must not every holder of property, no matter of what kind, also put up with a change in its value? Have not houses and land lost one-half of their value in ten years? He that sells a house or land for five hundred pounds, for which he paid a thousand pounds a few years ago, must come to expect favors from the person from whom he bought it, or should he petition Congress?

Supporting Madison

The Secretary of the Treasury has declared in his report that people sold their bonds from choice, and not always from necessity. This I believe true only in a very few instances. A hungry creditor, a distressed family, or perhaps, in some instances, the want of a meal's victuals (food), drove most of them to the broker's offices, or forced them to surrender their bonds. One case of this kind I shall relate briefly. A sick soldier sold his bonds worth $300 for $15.00, to a rich speculator. After he recovered, he went to the speculator and offered to buy back his bonds, but the speculator refused to sell them. Now, can it be right that this poor soldier, should every time he buys tea or sugar, pay a tax to raise the $15.00 to $300.00, in the hands of the speculator?

Thus we see public credit is established at the expense of justice, gratitude, and humanity.

It would be well enough to ask Mr. Hamilton whether his friends have bought more bonds than they sold.

Would it not be proper for the farmers to unite immediately and demonstrate against the evils of Mr. Hamilton's program? They never were in half the danger of being ruined by the British, that they now are by their own.

Adapted from *The Pennsylvania Gazette* (February 3, 1790).

CHAPTER 4: HAMILTON, JEFFERSON, AND THE FIRST NATIONAL BANK OF THE UNITED STATES

Overview:

This chapter focuses on the functions of the proposed national bank, including creating money, providing a uniform currency, allowing deposit of government funds, facilitating transfer of government funds, and lending money to the national government. Students are informed that Alexander Hamilton based his proposal for a national bank on the Bank of England. The chapter also explains the details of how the bank of the United States was capitalized; the money, students are informed, was raised in a few hours.

The chapter also chronicles Thomas Jefferson's objections to the bank, including his concern that it would cater to the commercial interests of New England merchants and financiers at the expense of Southern agriculturalists. Jefferson also opposed the bank because the Constitution did not specifically grant such a power to the national government and therefore (because of the Amendment X) such powers were reserved to the states. Hamilton challenged this interpretation of the Constitution, basing his argument on a loose construction of the elastic clause. Both arguments are summarized in this chapter, and students are left to decide which made the most sense.

Objectives: At the conclusion of this lesson, students should be able to:

1. Explain how the Bank of the United States could create money based on commercial papers and gold reserves.

2. Explain the importance of this function for the domestic economy.

3. Describe the various functions Alexander Hamilton envisioned for the national bank.

4. Summarize the arguments as to whether the federal government did or did not have the power to establish a bank.

Time Required: 1-2 class periods

Materials: Copies of student Chapter 4 for all students

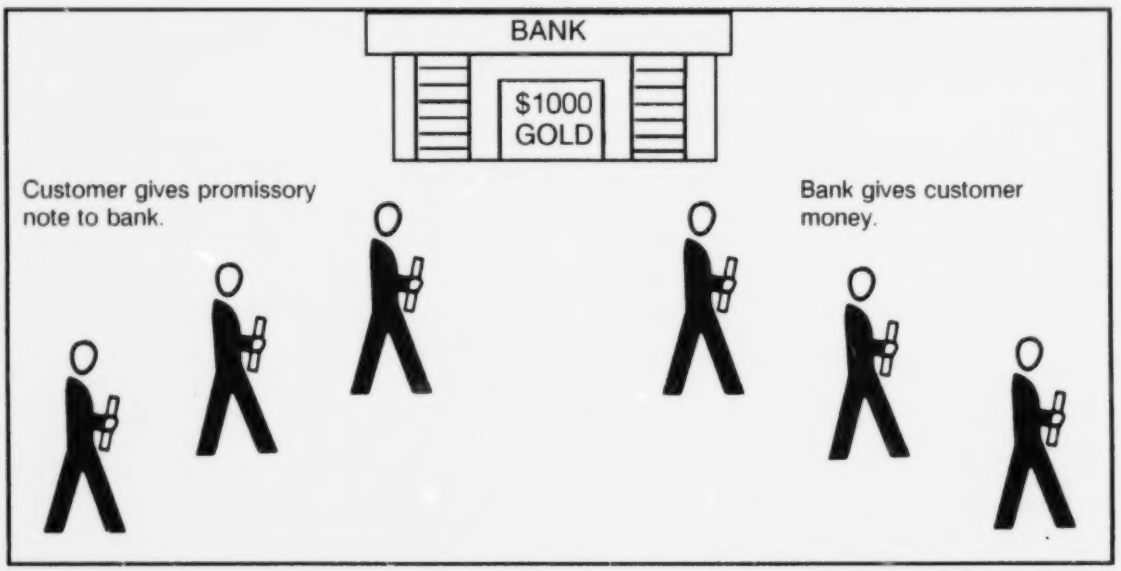
Procedure:

1. Review the assignment from the previous day. Students were to read Chapter 4 and be prepared to answer the definition/explanation questions. Possible definitions/explanations are:

- promissary note – an I.O.U.; official or legal paper binding person to repay a loan.
- create money – the way the banking system worked in England, it in effect could create money. The credit of the borrower safeguarded the loan.
- national bank – bank chartered by the national government with branches in various states.
- Bank of England – Hamilton based his proposal for a national bank on the Bank of England.
- elastic clause – clause in Constitution that gave Congress power to make laws "necessary and proper" to carry out the powers given to the national government; this clause created controversy over expansion of national power.
- Amendment X – amendment providing that all powers not specifically given the national government or denied the states belong to the states or the people.
- necessary or convenient – debate over whether the term *necessary* in the elastic clause means absolutely necessary, or simply useful and convenient.

- "swallow up all the delegated powers" – Jefferson's fear that the national government would swallow up all powers permitted the states if the word *necessary* were interpreted to mean *convenient*.
- "great latitude" – Hamilton's argument that the national government must have great latitude in the way it carried out its powers.

2. Explain how the national bank worked to create money; this is covered on pages 55-56 of the student reading. Use the chalkboard and draw stick characters giving promissory notes to a bank and the bank lending money to its customers. Students should note that the bank may have a certain amount of money (say $1,000) in its vaults, yet prints up $1,000 for each of three individuals who want to borrow money from the bank; the bank thus has "floated" $3,000 with only $1,000 of gold in the vault. This is no problem as long as people have faith in the bank and don't suddenly come to redeem their bank notes.



3. Put Hamilton's proposal for the national bank on the board, using the information on pages 55-56. Allow students to give you the information contained in the text. Follow this exercise by asking for Jefferson's objections to the bank and putting these on the board.

4. Students now should be ready to discuss whether the U.S. government should fund the bank.

5. If time permits, ask students to advance arguments on whether the bank was constitutional. Use the briefs written by Jefferson and Hamilton on this issue. Point out that the final decision must be based on interpreting the phrase "necessary and proper" in the elastic clause. Ask if these words should be interpreted, as Hamilton suggested, "with a great latitude of meaning," or would this interpretation allow too much power to the federal government, as Jefferson warned?

Preparation for Chapter 5:

Ask students to read Chapter 5 and answer the definition/explanation questions. Also ask students to prepare arguments regarding whether the Whiskey Rebellion was or was not justified. They should consider whether the tax was fair, whether the farmers had other ways of opposing the tax, and whether the result of their protest hurt their cause. If students have experience with writing essays, you may ask them to present their views in essays with a thesis, foreshadowing of two points they plan to argue, and a main body with at least a paragraph supporting each foreshadowed argument.

CHAPTER 5: THE WHISKEY REBELLION

Overview:

Students are introduced to the famous Whiskey Rebellion by learning that this brew was not only used at funerals and weddings, but as a means of exchange. Separated from the monetary economy of the east, farmers in Pennsylvania distilled bulky grain into whiskey to save transportation costs. When the 25 percent whiskey tax was proposed, farmers in the west protested mightily, claiming this tax would cost them $6.00 of the $20.00 they would make all year. Despite arguments that there were no comparable taxes on cider and beer (consumed in the east), lawyers' fees, and such, which bore more heavily on the rich, Congress levied the tax on whiskey. Violent protest erupted in 1792 and again two years later.

This chapter describes President Washington's responses to these disturbances. Hamilton's and Jefferson's views on how the rebellion should be handled are quoted: the former was more concerned with using adequate force, while the latter thought occasional rebellions were a good thing. Students write essays on whether the rebellion was justified and learn that the Whiskey Rebellion was put down by an army of 13,000, which arrested and detained hundreds and took 20 to trial in Philadelphia. Only two were found guilty.

Objectives: At the conclusion of this lesson, students should be able to:

1. State the basic facts about the Whiskey Rebellion – when, where, and why it occurred and how it was suppressed.

2. Present an argument (either orally or in writing) regarding whether the Whiskey Rebellion was justified and covering the cause of the rebellion, the availability of less violent alternatives, and whether the rebels accomplished what they set out to do.

Time Required: 1-2 class periods

Materials: Copies of student Chapter 5 and Handout 5-1 (optional) for all students

Procedure:

1. Review the assignment from the previous day. Students were to read Chapter 5, do the definition/explanation questions, and be prepared to argue whether the Whiskey Rebellion was justified.

2. Briefly discuss and/or check to see whether students have done the definition/explanation questions. Possible definitions/explanations are:

- use of whiskey – whiskey was used to celebrate weddings and mourn the dead; it was also used as money.
- amount of the tax – the tax was 25 percent or 25 cents per gallon of whiskey (average cost was $1.00 per gallon).
- James Jackson – Congressman who thought the government should tax "salaries, pensions, and lawyers."
- "bought the obligations for a song" – referred to bondholders who purchased bonds with "inside information" (also see Chapter 3).
- tariff – a tax on imports; many claimed the rich were already paying an 8 percent tariff and thus paying more taxes than the farmers.
- two examples of peaceful protest – any two of the following: erecting liberty poles with slogans; forming committees of correspondence; passing resolutions.

- two examples of violent protest – any two of the following: tarring and feathering tax collectors; actually killing one; a march on Pittsburgh by 5,000 protesters could have led to further violence.
- Washington's proclamation – called for people to obey the law.
- corralling suspects – hundreds were rounded up in Pennsylvania; many were kept in corrals.
- Hamilton's views – he urged strong measures to suppress the rebellion and believed the rich should rule and "check the unsteadiness of the people."
- Jefferson's views – he had written that the people should rebel when the government deprives them of their rights and that a little rebellion every once in a while was a good thing.
- the 20 and the 2 – 20 protesters were taken for trials in Philadelphia 300 miles away; 2 were found guilty but pardoned by Washington.

2. Discuss the second "Chapter Question" with the class. The highlights of the story include the debate over the disputed tax and the tax's effects on western (particularly Pennsylvanian) farmers, those farmers' protests, and their rebellion. President Washington's proclamation quieted the rebellion temporarily, but resumption of the violence prompted the government to call out troops to the rebellion. Hundred of protesters were arrested and two were found guilty of conspiring against the national government.

3. Help students with their essays or, if not assigned the previous day, use class time to help them write the essays. State the cause or principle for the rebellion: to protest a tax perceived to be unjust. Alternatives to violence were more of such tactics as petitioning and liberty poles, as well as campaigning for different elected officials. The result was suppression of the rebellion; students may want to argue that the result was relevant to the question of whether the rebellion was justified.

Students should be able to develop several sentences related to each of these topics (cause or reason, alternatives, and results). With help, they should be able to organize the essay with a thesis, or main point, foreshadowing of their three main arguments (principle, alternatives, and results), a main body supporting each of the three major arguments, and a conclusion summarizing them. For students unfamiliar with the suggested structure, Handout 5-1 will be helpful.

A student essay may contain some of the following points:

Thesis and Foreshadowing

The Whiskey Rebellion was justified (thesis) because it was fought for a good cause (foreshadowing argument 1), less violent alternatives had been used and exhausted (foreshadowing argument 2), and the rebellion succeeded in accomplishing its goal (foreshadowing argument 3).

Main Body

The Whiskey Rebellion was fought because the farmers were forced to pay a 25 percent tax on a necessary item, one that was even used for money in the western Pennsylvania....etc. (argument 1)

Farmers had exhausted less violent alternatives. They planted liberty poles on the ground with signs against unjust taxation. They formed committees of....Further peaceful protest was hard because Thomas Jefferson and James Madison... (argument 2)

The Whiskey Rebellion eventually accomplished its purpose. When Thomas Jefferson became... (argument 3)

4. If you prefer to have students debate the issue of the Whiskey Rebellion rather than write about it, divide the class into three groups – one for the rebellion, another opposed, and the third undecided. Give each of the two presenting groups five to ten minutes to form their argument on the issues: whether the cause or reason for the rebellion was justifiable, if better alternatives were exhausted, and

whether the desired result had been achieved (or if it mattered that it hadn't). Ask the third group to prepare some tough questions to ask both sides. After sufficient time for preparation, ask the first two sides to present their cases, refute the other side's objections, and answer questions from the class. The winning group is the one that has changed more people's minds.

Preparation for Chapter 6:

Inform students that the next chapter deals with foreign relations. Ask them to consider whether the U.S. goal in its foreign affairs should be to (1) protect national interests, (2) be loyal to its friends and abide by its treaties, or (3) expand its power and influence. Keeping this question in mind, students should read the chapter, do the definition/explanation questions, and be prepared to talk about the Proclamation of Neutrality and the Jay Treaty.

WRITING AN ESSAY ON THE WHISKEY REBELLION

Your assignment is to write a brief essay on whether the Whiskey Rebellion was justified. Your essay should have four major parts: a statement of your **thesis**, **foreshadowing** of your major arguments, a **main body**, and a **conclusion**. Here is what is meant by these terms.

Thesis. The main idea of an essay identified in the introduction. It usually can be stated in a single sentence or two. An example of a thesis statement is:

- The Whiskey Rebellion was completely unjustified.

Foreshadowing. Foreshadowing is stating very briefly the main arguments you will use to support your thesis. Usually less than a sentence is enough for each of the major points you intend to prove. For example, you might say "Whiskey was a luxury not a necessity and everyone – even farmers – should pay some taxes."

Main Body. This is the major part of your essay. It should provide support for each point you foreshadowed, using information from the material you read as evidence.

Conclusion. The conclusion can simply restate your thesis. It does not have to be any more complicated than that, but you may want to explore the implications of your essay. For example, you might draw a conclusion about whether rebellions are ever a good thing, as Jefferson argued.

Note: Save these instructions in your notebook so you can refer to them when writing essays later in the unit.

CHAPTER 6: NEUTRALITY AND THE JAY TREATY

Overview:

This chapter reviews the terms of the French Treaty of 1778, by which the colonists had committed themselves to aiding France in case of a future war with Great Britain. Students are informed of the dilemma President Washington faced regarding this treaty. The arguments for abiding by the treaty or bargaining with Great Britain to maintain American neutrality are presented. These arguments are countered by Hamilton, who, for both practical reasons (reliance on tariffs collected through trade with Great Britain) and ideological ones (admiration for Great Britain and opposition to the French Revolution), favored Britain. Washington's Proclamation of Neutrality and Great Britain's violations of American neutrality rights are described. The chapter concludes by stating the terms of the Jay Treaty and asking students to decide if it should be ratified despite its failure to resolve the major issues John Jay had been sent to England to negotiate.

Objectives: At the conclusion of this lesson, students should be able to:

1. State whether self-interest should be the major aim of a nation's foreign policy.

2. Use their position on the aforementioned issue to argue for or against proclaiming neutrality rather than helping France.

3. Summarize the provisions of the Jay Treaty and argue whether it should or should not have been ratified.

4. Explain why the U.S. Senate ratified the Jay Treaty.

Time Required: 1 class period

Materials: Copies of student Chapter 6 for all students

Procedure:

1. Review the assignment from the previous day. In addition to answering the definition/explanation questions, students were to come prepared to argue for or against proclaiming neutrality and ratifying the Jay Treaty. Their arguments were to be based on their response to the question of whether the United States should honor its commitments and/or support its allies even when this is detrimental to its interests.

2. Review the definition/explanation questions and/or check to see if students have done the homework. Possible answers are:

- Edmund Genet – the French ambassador to the United States.
- Treaty of 1778 – treaty by which the United States agreed to aid France in a defensive war and the United States received invaluable help from France during the Revolution.
- Estates General – parliament of France, called into session for the first time in 175 years in order to raise taxes; it enacted long-overdue reforms.
- Louis XVI – king with whom the United States signed the treaty; his execution in January 1793 led to the "reign of terror."
- reign of terror – period when 2,600 French accused of opposing the Revolution were executed.
- argument for proclaiming neutrality – abiding by the treaty could have led to war with Great Britain; the king and government with whom the treaty was signed were no longer ruling France.

- argument against proclaiming neutrality – the United States was obliged to uphold its treaty; France was now a democratic republic, not an ancient tyranny.
- impressment and western forts – these were two complaints against Great Britain; the British were forcing American sailors to serve in the British navy and had not left forts in the northwest as promised in 1783.
- two provisions of the Jay Treaty – the United States promised not to let France use its ports for attacking British ships; the British agreed to leave western forts in two years and would pay for goods taken in West Indies if the United States restricted its trade in molasses, sugar, cotton, and tea; no agreement was made regarding impressment.

3. Ask students whether they think the United States should follow a foreign policy of helping its friends and living up to previous commitments, or looking out for its interests. Get five or six students to state and explain their positions.

4. Briefly review the request Ambassador Genet made. Ask students, based on their answer above, whether the United States should have helped France in this manner. Allow for a discussion of about ten minutes. Ask students whether the United States should have been similarly bound after the reign of terror, after Napoleon became emperor, after Napoleon made war on all of Europe and invaded Russia, etc. Tell students of President Washington's farewell message in which he urged avoiding "permanent alliances" with foreign nations; ask why he would give such advice.

5. Briefly review the issues leading to the signing of the Jay Treaty and the provisions of the treaty.

6. Ask students whether the Senate should have ratified the treaty in order to avoid war with Britain, although it might have further antagonized France. End the discussion in time for a vote before the end of class. Tell students that it requires two-thirds of senators present and voting to ratify a treaty. (Students most likely will oppose ratifying the treaty.) Tell the class that the treaty was ratified by a straight "party" vote – 20 to 10. Ask students to try and account for the reasons that both George Washington and the U.S. Senate wanted the treaty ratified.

Preparation for Chapter 7:

Ask students if they believe the First Amendment should allow individuals to say things about their government that are not true and cause people to lose respect for elected officials. Tell students to read the next chapter, do the definition/explanation questions, and see if they think the right of free speech, or the government's attempt to limit it, went too far during John Adams's administration.

CHAPTER 7: THE SEDITION ACT

Overview:

This chapter begins by tallying the close vote in favor of the Jay Treaty and then chronicles the subsequent decline of U.S.-French relations. It tells of the anti-French hysteria after the XYZ Affair and the Federalists' attempts to shore up U.S. forces in response to rumors of impending attacks on the mainland from large French armies. During this period the Sedition Act was passed, and the chapter quotes arguments for and against this law. The chapter also covers the trial of Mathew Lyons, Republican from Vermont, who was charged with violating the act. Students are asked whether they think the act was wise, if Mathew Lyons really violated it, and whether it was more dangerous to American democracy than the alleged malicious falsehoods written by Anti-Federalists. The chapter cites the numbers of Republicans indicted and convicted under the Sedition Act and notes the final outcome of the Lyons case.

An epilogue to the chapter explains the states' rights theory embodied in Madison's and Jefferson's Virginia and Kentucky Resolutions, which protested the Sedition Act and declared it unconstitutional. It also presents a short excerpt from the Massachusetts legislature pointing out the dangers of the states' rignts theory.

Objectives: At the conclusion of this lesson, students should be able to:

1. Explain why the Sedition Act was passed.

2. State what the First Amendment says about freedom of speech and press.

3. Cite arguments for and against the Sedition Act.

4. Cite the evidence against Mathew Lyons and the outcome of that case.

5. Understand the danger to free speech and democracy if laws like the Sedition Act can be used by one political party to silence its opponents.

6. See the danger in the states' rights theory embodied in the Virginia and Kentucky Resolutions.

Time Required: 1-2 class periods

Materials: Copies of student Chapter 7 for all students

Procedure:

1. Review the assignment from the previous day. Students were to do the definition/explanation questions and discuss whether freedom of speech should be limited to statements that are true and not malicious with intent to defame. Possible definitions/explanations are:

- French response to Jay Treaty – the French responded by demanding that Washington retire from politics and by capturing 300 American ships.
- XYZ Affair – French agents known only as X, Y, and Z demanded bribes, loans, and repudiation of a statement by President Adams as the price of seeing Talleyrand.
- French threat – the French were allegedly about to invade the United States with an army of 200,000, start a slave rebellion, hook up with Americans in the west, and work with others planning to burn Philadelphia; these rumors prompted Congress to begin preparing for war.
- Congressman Allen – warned there was a national emergency and a dangerous combination seeking to overthrow the government by publishing lies and falsehoods.

- Sedition Act – this act made it illegal to write or publish false, scandalous, and malicious statements against the government *with* the attempt to defame.
- First Amendment – amendment providing, in part, that Congress shall make no law abridging freedom of speech or the press.
- Mathew Lyons – Republican congressman who was indicted under the Sedition Act; Lyons was particularly detested by the Federalists.
- Insults to Lyons – Congressman Lyons was called a wild beast who beat women, but would not attack a man.
- "ridiculous dress, foolish praise, and selfish greed" – a quotation from Lyons's attack on President Adams.
- Judge Paterson – judge who presided in the Lyons trial.

2. Ask students to present their arguments concerning whether the Sedition Act should have been passed. Considering the dangers of the time, was an act like this necessary? Did the dangers seem to be greatly exaggerated? You might point out that no war was fought between the United States and France and that the United States negotiated a peace with that country in 1801 (while Adams was still president), which ended the Alliance Treaty of 1788 in exchange for the Americans' agreeing to drop claims for depredations committed by French ships.

3. Ask students whether Lyons was guilty of violating the Sedition Act – were his statements false, malicious, and made in an attempt to defame the president? After hearing from students on this matter, ask if they think the Federalists' attacks on Lyons had violated the Sedition Act. Point out that Lyons's detractors were not charged with sedition. What does the fact that the jury found Lyons guilty, but that his detractors were never charged, seem to show? Was the danger of the Sedition Act that it gave the government a chance to silence its opponents? Is this the way it was used by the Federalists? Students might point out that only the opposition was attacked, the editors of three leading Republican newspapers were convicted, and that (judging from the Lyons case) guilty verdicts seemed excessive, given the lack of false and seditious liable intending to defame.

4. Ask students to discuss whether the Sedition Act was more dangerous to U.S. democracy than the false and malicious statements it was supposed to curb.

5. Have students read the epilogue on the Virginia and Kentucky Resolutions either silently or aloud. Help students understand the states' rights theory in this chapter and the Massachusetts legislature's criticism of the Resolutions. Lead students in a discussion of the traditional liberty vs. order question. Was the states' rights theory advocated in these resolutions more dangerous to the United States than the Sedition Act being protested?

Preparation for Chapter 8:

Tell students they will be asked to decide whether, based on their record, the Federalists deserved to be reelected. Students should be encouraged to write campaign speeches, draw cartoons, write poetry, or simply list the virtues of the party they like best. Tell students to consider the philosophies of Hamilton and Jefferson, payment of the debt, establishment of the bank, the whiskey tax and rebellion, the Proclamation of Neutrality, the Jay Treaty, and the Sedition Act.

You may wish to give a few students the option of presenting the issues of reelection in a debate. As an alternative, students could be asked to prepare to discuss these issues and then be helped to organize an answer to this question in essay form. The essay, which should have a thesis, foreshadowing of major arguments, a main body, and a conclusion, could be written at home or in class.

CHAPTER 8: THE ELECTION OF 1800

Overview:

The election of 1800 was not decided by electors reflecting in the solitude of their positions above the political fray, as the Founders had envisioned. Instead, it was a hotly contested campaign, a point made in this chapter with quotes from broadsides produced by both parties. Students are reminded of differences between Federalists and Republicans during the twelve-year reign of the former. Students are then asked whether based on their record, the Federalists deserved to be reelected. Teachers may approach that question by having students simulate the bitterly contested election of 1800, helping students write an essay on whether the Federalists deserved to be reelected, or doing both the simulated election and the essay.

Objectives: At the conclusion of this lesson, students should be able to:

1. List three activities of a political party.

2. State whether they would have voted the Republican or Federalist ticket in the election of 1800, giving at least four reasons for their choices.

3. Present their views on whether the Federalists deserved to be reelected through a speech, poem, campaign poster, or essay.

Time Required: 1-2 class periods

Materials: Copies of student Chapter 8 for all students, one set of role cards, markers, poster paper

Procedure:

1. Review the assignment from the previous day. In addition to answering the definition/explanation questions, students were to prepare campaign literature for the election of 1800 and/or write an essay on whether the Federalists deserved to be reelected. Discuss the definition/explanation questions. Possible answers are:

- electors – knowledgeable men the Founders thought should elect the president.
- "Monarchist" – Republican campaign reference to President Adams's conservative views.
- "some men should be born" – reference to Adams's conservative views.
- "reign of terror" – reference to hysteria Federalists allegedly tried to create about the danger of the French threat.
- "those morals" – reference by Federalists to fear that Jefferson's alleged libertine philosophy would undermine the values that hold society together.
- "more Republicanism" – reference once more to Jefferson's reputed disregard for political order.

2. Discuss how the Federalists and Republicans acted as political parties. The Republicans had leaders, such as Jefferson and Burr, whom they supported as candidates for President; they published campaign documents or literature; they appealed to particular groups in society; and they attacked/vilified the political opposition. Federalists under Adams did the same to the Republicans. Students should also note the degree of "negative campaigning."

3. Divide the class into three sections – about five Federalists, five Republicans, and the remainder undecided. Give the Federalists and Republicans about ten minutes to get together and decide on their strategy and message. Give them poster-sized paper and magic markers to make their political state-

ments; encourage exaggerated statements. Ask one student to be prepared to introduce their party's candidate when the time comes for speech making.

Allow undecided students to pair up on the roles. Encourage them to decide on how, based on the election issues, their delegate would vote. They may also prepare questions for each of the candidates and their followers.

4. Allow one party about 10 minutes to present its political message to the class. Begin with posters, poems, and cartoons. Then have someone introduce the candidate and allow the candidate to give his/her speech. (You may want to point out that while the candidates' writings were widely circulated at the time, they themselves did not give campaign speeches as such. Others did speak on their behalf, including ministers in their pulpits.) Follow up with questions from undecided voters, based upon their role cards. Repeat the process for the other party. Toward the end of class, allow voters and candidates to get up from their seats to talk directly with one another.

5. At the end of class, allow the electorate to vote. The winner is the candidate with the most electoral votes.

6. The next day, help students prepare their essays on whether the Federalists deserved to be reelected. Students should come to class prepared with a thesis and foreshadowing statements. Again have students work in three groups—Federalists, Republicans, and undecided. Work with each group to help students brainstorm and finally settle on their own thesis statements. Note the suggested statements given in the student reading, but caution students not to use a statement that does not seem right to them. They should come up with statements they can support. Help students bridge the gap from individual incident to general category; for example, putting down the Whiskey Rebellion was an individual incident, but dealing with opposition is a category that includes the Whiskey Rebellion and the Sedition Act.

Once students have chosen their thesis statements and arguments to foreshadow, help them prepare an outline of the topics they will cover. An example is given below:

Outline:

Title: **Why the Federalists Deserved to Be Reelected**

I. Thesis and foreshadowing

The Federalists deserved to be reelected because they built the nation's economy, were firm with political opposition, and kept the country out of war.

II. The Nation's Economy

A. Paying the Debt
1. The "problem" with the debt
2. Reasons for face value
3. Reasons for assumption
4. Why face value was better

B. Bank of the United States
1. Need for a bank
2. Banking principles
etc.

III. Handling Political Opposition

A. Whiskey Rebellion
1. Unjustified
2. Extent of rebellion
3. Need for firm action
etc.

B. Sedition Act
1. Situation prompting Sedition Act
etc.

IV. Kept U.S. out of War

A. Why U.S. Could Not Afford a War with England
1. Weak position of the U.S.
2. Dependence on trade with England
etc.

B. French Treaty Need Not Be Honored
1. Signed with king, not with new government
2. Reign of terror

C. Danger of Honoring French Treaty
etc.

D. Reasons for Supporting Jay Treaty
1. Importance of trade with Britain
2. 80 percent of revenue based on trade with Britain

V. Conclusion (optional)

Have students complete the essays at home and hand them in the next day or have them complete the essays the night after Chapter 9 is read in class.

Preparation for Chapter 9:

Ask students to read Chapter 9 and complete the definition/explanation questions. As they read, students should decide if the Republicans were hypocrites, abandoning their political principles after assuming office.

1. Your name is Benjamin Smith. A native of Vermont, you own a small foundry. Although you do not speak of it openly, many of your relatives were Loyalists. You are suspicious of Jefferson's ties to France, but you are angry about the Federalists' attacks on Mathew Lyons. Your state has four electoral votes. What questions will you ask the candidates? For whom will you vote?

2. You are Joshua Sutton of Massachusetts. You are a merchant involved in trade with England and have done very well over the past eight years. You attribute much of your personal prosperity to the facts that the federal government's credit is excellent and that there is a single, uniform currency in the country. Your state has 16 electoral votes. What questions will you ask the candidates? For whom will you vote?

3. Your name is Rodney Guriard. You live in Rhode Island. Your family has made a great deal of money in the slave trade – taking rum and guns to Africa, exchanging them for slaves, taking them to the West Indies, and bringing gold and molasses back to Rhode Island. You know that in eight years Congress will have the power to stop the slave trade. Your state has 4 electoral votes. What questions will you ask the candidates? For whom will you vote?

4. You are Abigail Jones of Connecticut. Though you are not allowed to vote, you still discuss politics with your husband and your grown sons, who help take care of your 80-acre farm. Compared to most of your neighbors, your family is prosperous. You have never been a Federalist and have been especially upset at the Federalists' attempts to stifle political opposition. You need to be convinced that Jefferson will not close the national bank, keep paying the debt at face value, and maintain the tax on whiskey. Your state has 9 electoral votes. What questions will you ask the candidates? For whom will you urge your husband to vote?

5. Your name is Priscilla Godrey and you live in New York. Although you do not vote, you usually are able to persuade your husband and your brothers to vote for the person you favor. Your family has a large farm growing such cash crops as wheat, which is carried to Eastern Europe. You are concerned that America have an adequate defense to allow the continuation of its trade with Europe, even in the case of war. Your state has 12 electoral votes. What questions will you ask the candidates? For whom will you urge your husband to vote?

6. Your name is Thomas Gates and you live in New Jersey. You are a very religious person, so reports that Thomas Jefferson does not believe in God have disturbed you. You want to find out more about Jefferson's moral values before deciding for whom to vote. Your state has 7 electoral votes. What questions will you ask the candidates? For whom will you vote?

7. You are Adam Symmes. You live in the western part of Pennsylvania. You distill your own alcohol and have opposed the whiskey tax. But you were equally opposed to violence in neighboring towns and are proud that you have been paying your tax. You believe the country needs a strong government that people respect. Your state has 15 electoral votes. What questions will you ask the candidates? For whom will you vote?

8. Your name is Obadiah Smith and you live in Delaware. You are not well-informed about politics and have never voted. You are a silversmith, just getting started on your own. Your customers are the wealthy people in town. You don't necessarily want to be a Federalist just because your customers are. Your state has 3 electoral votes. What questions will you ask the candidates? For whom will you vote?

9. Your name is Jeffrey Foskett and you live in Maryland. You are a dirt-poor farmer. You just barely make enough money to feed your family. You have not had enough time to inform yourself about politics, but you are willing to listen to both sides. Your state has 10 electoral votes. What questions will you ask the candidates? For whom will you vote?

10. Your name is James Hallice. A Virginian, you own 100 slaves, a large mansion, and a town house in Williamsburg. Your family has been very prominent Republicans, but you know that Jefferson has some doubts about the morality of slavery. You know that he already was instrumental in prohibiting slavery in the Northwest Territory. Your state has 21 votes. What questions will you ask the candidates? For whom will you vote?

11. You are Josiah Williams of North Carolina. You are a farmer who has not benefited from Federalist rule. You held war bonds but sold them to a speculator. Your taxes have gone up during the scare about a war with France. Your state has 12 electoral votes. What questions will you ask the candidates? For whom will you vote?

12. Your name is William Williamson and you live in South Carolina. You benefited from the Federalists' paying the debt off at face value. You are a merchant and very much involved in carrying southern cotton to England and bringing luxury items, such as fine clothes and china, back to South Carolina. Your state has 8 electoral votes. What questions will you ask the candidates? For whom will you vote?

13. Your name is Charles Adams, and you live in Georgia. Your farm is not terribly large, and you own only ten slaves. You have served in the Georgia state legislature and believe a strong state government is important. Your state has four electoral votes. What questions will you ask the candidates? For whom will you vote?

14. Your name is Samuel Boone. You have just brought your family west to Kentucky, and you want government to give you some help in building roads and moving the Indians further west. The Federalists because they are a bunch of rich snobs, but you suspect they may be more likely to help the western farmers than the Republicans. Your state has 4 electoral votes. What questions will you ask the candidates? For whom will you vote?

15. You are Martha Turner. Your sense of adventure led you and your family to move from Virginia to Tennessee. Your husband respects your views on politics, although you cannot vote. Your father, who was a great influence on you, admired Thomas Jefferson greatly. You are worried about the religious issue and about how the western settlers will be treated. Your state has three electoral votes. What questions will you ask the candidates? For whom will you urge your husband to vote?

CHAPTER 9: JEFFERSONIANS IN OFFICE

Overview:

This chapter covers the 14 years between Jefferson's election and the end of the War of 1812. It begins by asking students to decide whether Jefferson and Madison betrayed their political philosophies once installed as president. Students are told of Jefferson's change of heart related to the debt, national bank, Jay Treaty, and broad interpretation of the elastic clause. They also learn that Jefferson repealed the whiskey tax and allowed the Sedition Act to expire. Furthermore, they read of Jefferson's changing interpretation of the elastic clause and his willingness to run up the national debt by buying Louisiana, while the Federalists claimed the Constitution did not permit purchase of vast new territories and that the country could not afford to buy Louisiana.

The second part of the chapter covers the long controversy over neutrality and the eventual vote in favor of declaring war against Great Britain in 1812. Students contemplate the neutrality issue and are told that frontiersmen who wanted to end the Indian threat in the West and take Canada were in favor of declaring war while New Englanders opposed any restraint of their trade with Britain.

The chapter covers some of the fighting during the war and the Federalist Party's opposition to it. It describes the Hartford Convention, the Treaty of Ghent, and Andrew Jackson's victory at New Orleans. The chapter ends by noting three Federalist ideas supported by James Madison and voted in by a Republican Congress—a protective tariff, national bank, and national road.

Objectives: At the conclusion of this lesson, students should be able to:

1. Respond to the charge that Jefferson and Madison were not true to the ideal they supported before taking office and changed their opinions after they were elected.

2. State two ways in which Federalists contradicted their former philosophy and explain the reasons for these changes.

3. Develop a statement for or against the United States foregoing the right to be a neutral nation in order to avoid going to war with Britain.

4. Respond to the statement that the Federalist Party deserved to die because of its opposition to the War of 1812 and for passing the resolutions of the Hartford Convention.

Time Required: 1-2 class periods

Materials: Copies of student Chapter 9 for all students

Procedure:

1. Ask students to discuss whether the Jeffersonians were hypocrites who changed their political allegiances upon taking office. Statements supporting the argument that Jefferson and Madison were hypocrites include that Jefferson continued to pay the debt at face value, continued the national bank, did not renegotiate the Jay Treaty, and adopted a broad interpretation of the elastic clause to buy Louisiana. After the War of 1812, Madison supported a protective tariff, recharted the bank, and approved funds to continue the national road.

On the other side, however, it would have made little sense for Jefferson to repeal policies that were established and successful. Jefferson's inaugural address showed support for his principles of minority rights, trust for the common man, and limited government. He also had the whiskey tax repealed and did not reenact the Sedition Act. His purchase of Louisiana and stretching of the elastic clause to do so helped provide for a nation of land-owning farmers, in keeping with his agricultural idealism.

2. Once students reach agreement on the Jeffersonians, have them examine the record of the Federalists during the same period. The Federalists committed political suicide by abandoning their political program in favor of seeking partisan advantage. Their opposition to the Louisiana Purchase had a particularly hollow ring. After all, the Federalists had not been averse to assuming a $70,000,000 debt in 1791 and had argued strenuously in favor of stretching powers given in the Constitution to establish the national bank. Yet 12 years later, these same politicians thought $15,000,000 was too much to pay to double the size of their country and could not find anything in the Constitution that would allow the President to purchase Louisiana.

3. If the discussion indicates lack of understanding of major events or issues covered in the chapter, it may be well to review the definition/explanation questions. Possible answers are:

- changing political principles – the Republicans/Jeffersonians were accused of changing their political principles on the debt, bank, Jay Treaty, and interpreting the elastic clause.
- 73 electoral votes – both Jefferson and Burr had 73 electoral votes, throwing the election into the House of Representatives; Jefferson was finally elected after 37 votes in the House.
- "minority possess their equal right" – Jefferson said in his inaugural address that the majority will prevail but "the minority possess their equal rights, which equal law must protect."
- "man can not be trusted" – Jefferson asked in his inaugural address that if man can't be trusted to govern himself, "can he, then, be trusted with the government of others?"
- paying debt at face value, Jay Treaty, and national bank – though Jefferson opposed these policies, he did not try to overturn these long-established policies that seemed to be working.
- Sedition Act and whiskey tax – Jefferson allowed the former to expire and had the latter repealed.
- New Orleans – most important port in North America, which France took from Spain.
- slave rebellion – rebellion in Haiti made Napoleon decide not to keep New Orleans.
- Louisiana Purchase – Napoleon offered to sell Louisiana to the United States for $15,000,000; Jefferson rationalized that the elastic clause could be used to justify the purchase.
- Federalists' objections to the Louisiana Purchase – the Federalists claimed the land was too expensive and purchasing it violated the Constitution; their real reason was that it would increase the number of states voting the Republican ticket.
- pawn – with England and France fighting one another and restricting American trade, the United States became a pawn in a global chess match.
- *Leopard* and *Chesapeake* incident – the H.M.S. *Leopard* took American sailors off the U.S.S. *Chesapeake* only 10 miles from American shores, angering the American public and leading to Jefferson's announcing a trade embargo.
- embargo – the United States stopped all trade with Britain and France to avoid another incident like the *Leopard* affair and persuade Europeans to respect America's right to be neutral.
- Macon Bill #2 – opened trade with both Britain and France but would halt trade with either country if the other respected U.S. neutrality rights.
- "War Hawks" – group of western and southern Congressmen who wanted to declare war on Britain, take parts of Canada, defeat Indian tribes, and secure international respect for U.S. neutrality rights.
- 6,000 sailors – the number of sailors the British claimed were deserters and the United States said were Americans taken off U.S. ships and forced to serve in the British navy.
- Battle of New Orleans – Andrew Jackson defeated the British in this battle, killing and wounding more than 2,000 British soldiers and losing fewer than two dozen American lives.

- Treaty of Ghent – this treaty ended the War of 1812 but said nothing of neutrality rights, since the war in which they were violated was over.
- unpatriotic actions by Federalists – during the War of 1812, Federalists had refused to provide militia or had not allowed the militia to fight outside their states, discouraged loans to the U.S. government, and traded with the enemy.
- Hartford Convention – at this meeting, New England Federalists passed resolutions calling for a weakening of the central government and hinting at secession if their proposed amendments to the Constitution were not adopted.
- Bank of the United States, protective tariff, and national road – examples of nationalistic policies accepted by Republicans following the War of 1812.

4. To begin a discussion of the rights of neutral countries to trade with belligerents, ask students whether it makes sense to fight for the right to be neutral and trade with countries who are at war. Then ask students if Jefferson was right in imposing a trade embargo in order to prevent a war with Britain or if the United States should have insisted on its right to trade with both France and Britain while they were locked in a life-and-death struggle. Follow up by asking if the Macon Bill #2 was a wiser way to deal with the issue of neutrality. Point out that Britain actually agreed to open trade with the United States two days before Congress declared war. Then ask students if the real reason for this war was neutrality rights or if it was land and Indians. Finally, point to the failure of the Treaty of Ghent to resolve the neutrality issue and ask if this helps answer the question of fighting to preserve neutrality.

5. After this discussion, cover some of the highlights of the War of 1812, including the writing of the "Star-Spangled Banner" at Baltimore, the burning of the capital, the victory by Oliver Perry on Lake Erie, and the Battle of New Orleans.

6. Conclude the unit by asking students to use what they have learned to make predictions about the election of 1816, the future of the national bank, and the interpretation of the elastic clause in subsequent years. Encourage students to keep a record of their predictions to check as the year of study progresses.

REFERENCES

John C. Miller's *The Federalist Era* (New York: Harper and Row, 1960),* is the best single-volume work on the Federalist Era, covering all topics investigated in this unit through the election of 1800. Marcus Cunliffe in *The Nation Takes Shape, 1789-1837* (Chicago: University of Chicago Press, 1959) covers more material than Miller but with less depth. Two works especially written for high school students are Loyd Musselman, *The Federalist Period* (New York: Benziger, 1972), and Frederik S. Allis, Jr., *Government Through Opposition* (New York: Macmillan, 1963). Claude Gernade Bowers's *Jefferson and Hamilton and the Struggle for Democracy in America* (Boston: Houghton Mifflin, 1925) is lively, partisan, and outdated, but enjoyable reading. Thomas A. Bailey and David M. Kennedy include 12 documents pertaining to topics covered in this unit in their recently revised *The American Spirit* (Lexington, MA: D.C. Heath, 1987). Richard Hofstadter's *Great Issues in American History* (New York: Vintage Books, 1969) also contains many useful documents pertaining to the Federalist period.

Among the most thorough works on Washington are J.T. Flexner's *George Washington and the New Nation* and *George Washington, Anguish and Farewell* (1972), which completes a four-volume biography of the first president. An abbreviated but eminently suitable one-volume rendition of the above, entitled *Washington: The Indispensable Man* (Boston: Little Brown, 1979)* is rich in detail and easy to read. Forrest McDonald's *The Presidency of George Washington* (New York: W.W. Norton, 1974) provides a sensible account of events and gives interesting insights into the backstage maneuvers and motives of leading historical figures.

The outstanding works on Hamilton include John C. Miller's *Alexander Hamilton: Portrait in Paradox* (New York: Harper and Row, 1959),* and Forrest McDonald's *Alexander Hamilton: A Biography* (New York: W.W. Norton, 1979). Marie B. Hecht's *Odd Destiny: The Life of Alexander Hamilton* (New York: Macmillan, 1982) tries to show that Hamilton's childhood traumas haunted him in later life and contributed to his tragic mistakes, including the fatal duel with Aaron Burr. A similar line of inquiry is pursued by Noemie Emery in *Alexander Hamilton: An Intimate Portrait* (New York: G.P. Putman's Sons, 1982).

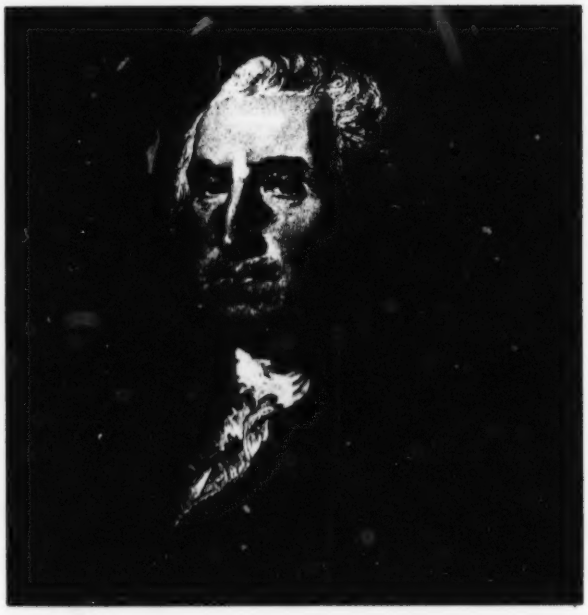
Outstanding books dealing with specific issues raised in this unit include Leland D. Baldwin, *The Whiskey Rebellion: The Story of a Frontier Uprising* (Pittsburgh: University of Pittsburgh Press, 1939),* for years a standard work on the period. Thomas P. Slaughter's *The Whiskey Rebellion: Frontier Epilogue to the American Revolution* (New York: Oxford University Press, 1986) is tough going for all but the best students. Samuel Flagg Bemis's *Jay's Treaty, A Study in Commerce and Diplomacy* (New York: Macmillan, 1923, revised in 1962) has been the leading work on this subject for more than 60 years. Alexander DeConde deals with U.S.-French relations in *Entangling Alliance: Politics and Diplomacy Under George Washington* (Durham, NC: Duke University Press, 1958). Standard works on diplomatic history include Bemis's *A Diplomatic History of the United States* (New York: Holt, 1936 and 1955)* and Alexander DeConde's *History of American Foreign Policy* (New York: Scribner, 1963).

Two useful books for historians and scholars on the Alien and Sedition acts are Leonard W. Levy's *Legacy of Suppression: Freedom of Speech and Press in Early America* (Cambridge, MA: Belknap Press of Harvard University, 1960), and J.M. Smith's *Freedom's Fetters* (Ithaca, NY: Cornell University Press, 1956). John C. Miller's *Crisis in Freedom: The Alien and Sedition Acts* (Boston: Little Brown, 1951),* written by one of the outstanding authorities on this period, is shorter and less complex than the other books on the subject.

*Book most highly recommended in category.

With *The Democratic Republic, 1801-15* (New York: Harper and Row, 1968) Marshall Smelser joins a long line of eminent historians who can't find serious flaws in Jefferson's character or his leadership. Nobel E. Cunningham's *In Pursuit of Reason: A Life of Thomas Jefferson* (Baton Rouge, LA: Louisiana State University Press, 1987), supposedly written for scholars and students, presents his subject in a favorable light. Cunningham seems more interested in Jefferson the whole man as opposed to Jefferson the writer, politician, or president. Page Smith's *Jefferson: A Revealing Biography* (New York: American Heritage, 1976) accepts the Sally Hemings story and dwells on many of the more seamy sides of Jefferson's character. Forrest McDonald's *The Presidency of Thomas Jefferson* (Lawrence, KS: University of Kansas Press, 1976)* is interesting in detail, lively, and opinionated, with valuable insights into the personalities of leading historical figures.

CHAPTER 1: THE NEW NATION



While the Founders debated what powers should be given the president, they agreed on who that man should be. Indeed, when the votes for this office were counted, George Washington was the unanimous choice of the electoral college. No other candidate since has won all of the electoral votes.

George Washington would rather have stayed at his beloved plantation, Mount Vernon, but his country had once more called on him to lead it. Reluctantly, Washington prepared himself for his trip to the nation's capital:

> My movements to the chair of Government will be accompanied by feelings not unlike those of a culprit [criminal] who is going to the place of his execution...so unwilling am I...to quit a peaceful (home) for an ocean of difficulties, without the...political skill...necessary to manage the Helm [place from which a ship is steered].[1]

Small wonder that George Washington did not look forward to returning to public office. He had already devoted most of his adult life to serving his country. As a leader in the Virginia militia, a member of the House of Burgesses, a delegate to the Second Continental Congress, and commander of the American army during the Revolution, Washington had faced many challenges. His job as president would require all of the skills needed in his previous positions. Washington and the new nation would face enormous problems over the next eight years.

Lack of Unity

The population of the United States in 1789 was just under 4,000,000, and the states as well as the people were anything but "united." They were divided by the accident of climate and geography into northern, middle, and southern states. The stern Puritans fishing for cod off the coast of Massachusetts had little in common with their more easygoing countrymen who worked the plantations of the South. The middle states, which served as the nation's breadbasket, were the home of prosperous farmers unlike their neighbors to both the north or the south. Differences between rich and poor, town and country, master and slave, farmer and merchant, landed and landless, created divisions within each state and the nation as a whole.

Political disunity could be expected in a country of such contrasts, but the differences during Washington's term of office were greater than expected. The farmers of Rhode Island so distrusted their countrymen that they had not sent even one delegate to the constitutional convention. The suspicious Rhode Islanders were joined by North Carolina in refusing to ratify the new Constitution. Meanwhile, Governor Clinton of New York tried to keep his state out of the union, agreeing to join only when New York City threatened to cut itself off from the rest of the state. In Massachusetts, where debtors still resented the suppression of Shays' Rebellion, John Hancock and Sam Adams opposed the new government.

Those opposed to the Constitution feared the new government would become an "artistocratic engine," depriving people of their liberties. They predicted a return to a monarchy similar to England's. Others thought the new Constitution, even with all its new powers, was far too weak. Alexander Hamilton called it a "frail and worthless" document. Many in his camp believed that only a King and hereditary nobles could truly rule this country effectively.

The Economy

The United States had still not recovered from the American Revolution. Trade was particularly hard hit by the war with the Britain, which had been the colonies' chief supplier and market. As George Washington made his way to the nation's capital in New York, ships stood at anchor and goods for trade piled up on loaded wharves. Sailors stood by idly staring into empty oceans while waiting for a chance to ply their trade.

Because of an unfavorable balance of trade, the United States lacked gold and silver to coin into money. During the Revolution, Congress resorted to printing paper money. By 1781, $400,000,000 worth of paper had been printed. This paper money lost so much of its value that the public willingly exchanged $40.00 of paper money for $1.00 in gold. But with a shortage of cash, states continued the practice of printing paper dollars, which soon lost most of their value.

Foreign Relations

In order for trade with Great Britain to begin again, a treaty had to be made and ratified. But the British were not about to make a treaty with their former colonies. They claimed the new government was too weak to enforce a treaty and joked that it would be necessary to complete 13 separate agreements.

Great Britain also showed its lack of respect for the United States by failing to live up to its own treaty agreements. Despite their pledge to the contrary, the British refused to leave their forts in Ohio, Michigan, and upper New York. The British gave as an excuse the Americans' failure to return land to Loyalists as agreed in the Peace of Paris in 1783. In truth, these issues could not be resolved until the new nation was strong enough to compel respect from its former colonial masters.

Another danger threatened in the southern part of the nation. Spain, which controlled New Orleans and the lower banks of the Mississippi, closed the river to navigation by Americans. Efforts to negotiate a treaty found the Spanish unwilling to make concessions.

Money and Credit

During the American Revolution, the U.S. government had not been able to pay its own bills. Indeed, it was only able to continue the war because it issued paper money, sold bonds, received gifts from France, and borrowed heavily from bankers in Europe. After the fighting stopped, Dutch bankers were generous in providing new loans. Nevertheless, many bills were not being paid.

The main reason for the government's continued financial problems was the states' unwillingness to contribute to the national government. The Articles of Confederation had not given Congress the power to collect taxes, but it could ask for voluntary contributions from the states. Of some $11,000,000 the states were asked for after the Revolution ended, fewer than $2,000,000 were paid. Furthermore, the government's credit could hardly have been worse. Its bonds sold for about one-fifth of their face value (what the government was obliged to pay). The debt stood at $50,000,000, of which $15,000,000 was unpaid interest. (A comparable amount today, when our nation is 40 times larger, would be around $200,000,000,000.)

George Washington Takes Office

George Washington's spirits were lifted as he traveled north from his home in Virginia to the nation's temporary capital in New York City. Everywhere along his route, people turned out to wish him

luck. Church bells rang their encouragement, and cannons roared their support. A wildly enthusiastic crowd of 20,000, nearly as large as the city itself, greeted Washington in Philadelphia. When his triumphant tour finally brought him to the banks of the Hudson River, a barge specially built for the occasion carried him across. That night the city rocked with fireworks and a chorus singing new words to the old tune of "God Save the King."

Congress had already been meeting for several weeks, preparing for the president's arrival. It had been locked in debate over matters great and small. One hotly debated issue was what to call the president. The Senate was ready to accept Vice President John Adams's suggestion that he be called "His Highness the President of the United States and the Protector of their Liberties." The House of Representatives, more democratic than the Senate, was shocked with this regal form of address.

The issue of addressing the president was much more important for its symbolic value than its effect on the country's future. Many more important problems faced the nation; these issues, which form the basis of this unit, included:

- In establishing credit and a uniform currency, should the government seek the support of the rich, as argued by Alexander Hamilton, or follow policies intended to help poor and middle-income people, as Thomas Jefferson suggested? (Chapters 3 and 4)
- Should the government seek to establish its authority over the states (Hamilton) or give them as much power in local matters as possible (Jefferson)? (Chapters 3, 4, and 5)
- Would it be more important for the government to make sure the people obey its laws (Hamilton) or to protect the rights of its people (Jefferson)? (Chapters 5 and 7)
- In its relations with other countries, should the government follow a policy of meeting its treaty commitments (Jefferson) or protecting its interests (Hamilton)? (Chapter 6)

Selection of a Cabinet: A Precedent-Setting Decision

If George Washington had made up his mind on how to address these important issues when he took office, he gave no clue in his choice of personal advisors. However, he set an important precedent in creating four special executive departments, each charged with a different governmental role. These departments were state (foreign affairs), treasury, war, and attorney-general (law enforcement). For the head position in the War Department, Washington chose Henry Knox, his capable artillery commander during the Revolution. To serve as the nation's first attorney general, Washington selected former Virginia governor Edmund Randolph. As secretary of the treasury, the new President selected Alexander Hamilton, his former personal secretary and advocate for a stronger national government. Finally, for secretary of state, Washington selected someone with a political philosophy different from Hamilton's – Thomas Jefferson.

Federal Courts and the Bill of Rights

While Washington was selecting his cabinet, Congress continued its work. During its first session, the Congress established a system of federal (national) courts under the Supreme Court. While the President appointed judges to these courts, Congress created the positions to be filled. Advocates of states' rights argued that there was no need for federal courts other than the Supreme Court. They claimed all disputes could be handled by state courts. James Madison was able to counter this argument by pointing out that the states could not be trusted to uphold federal laws contrary to their interests. His argument carried the day.

Madison also led the fight to introduce a Bill of Rights as part of the first ten amendments to the Constitution. Over 200 amendments had been proposed by the states, but Madison wanted to be sure that they didn't deprive the federal government of the powers it needed to govern effectively. Although he had opposed introducing a Bill of Rights at the convention, Madison became a firm believer in such a bill in the process of arguing for one. Eventually, twelve amendments were agreed upon by Congress and sent to the states to be ratified. Ten of the twelve were ratified, the first eight being our Bill of Rights. Amendment IX stated that the assertion of some rights in the bill did not mean that others, not

mentioned, were denied. Amendment X granted the states or people all powers not given the federal government or specifically denied the states.

Chapter Questions

1. Identify or define and briefly tell the importance to this chapter of each of the following:
    - "place of his execution"
    - Governor Clinton
    - "frail and worthless" document
    - ships at anchor
    - paper money
    - 13 treaties
    - Michigan
    - New Orleans
    - the debt
    - "His Highness"
    - the cabinet
    - need for the federal courts
    - the Bill of Rights
2. Explain each of the following problems President Washington had to face:
    - lack of unity
    - the economy
    - foreign relations
    - money and credit
3. Try to develop solutions to at least two of the problems facing the new government. Be prepared to support your solutions in class.

Source

1. Quoted from *George Washington, Man and Monument*, by Marcus Cunliffe (New York: The New American Library, 1984), p. 129.

CHAPTER 2: HAMILTON AND JEFFERSON – THE MEN AND THEIR PHILOSOPHIES

Thomas Jefferson

Alexander Hamilton

He was born with a silver spoon in his mouth. Yet he claimed to speak for the vast majority of average Americans and not the wealthy few. His name was Thomas Jefferson.

He was born in the West Indies to parents who were not married. Yet he rose from this humble background to become the champion for the rich and well-born. His name was Alexander Hamilton.

The careers of Hamilton and Jefferson were among the most interesting in American history. Few men played more important roles in the period between 1770 and 1800; few were further apart on important political issues. Each became a political leader and played a major role in forming the first real political parties in the United States. Although each did his best to stop the other, both made unique contributions to their nation as they served George Washington in their capacities as secretary of the treasury and secretary of state.

Since Alexander Hamilton and Thomas Jefferson had such an influence in the development of our country, it is fitting that today's students examine their lives and philosophies.

Alexander Hamilton

Alexander Hamilton taught himself to read and write while still living in his native West Indies. At age 14, he was managing an important trading business; at 15 he wrote an essay that caught the attention of wealthy Americans, who brought him to New York for an education. He attended Kings College (now Columbia) for one year while he worked out many of the political theories he championed all of his life. He also became involved in political protest against Great Britain.

During the Revolution, Hamilton attracted George Washington's attention. Washington made Hamilton his personal secretary, with the rank of lieutenant-colonel. Before the war ended, the restless Hamilton found time to write hundreds of letters for his general, study and practice law, become one of the country's leading lawyers, play a major role in the battle of Yorktown, and serve in Congress. During this same period, he met, courted, and married Elizabeth Schuyler, daughter of one of New York's most influential and wealthy men, General Phillip Schuyler.

After the war, Hamilton played a leading role in calling the constitutional convention. At the convention, he worked hard to give more power to the national government and less voice in government to the poor and uneducated. Outvoted by the two other New York delegates, Hamilton had great reservations regarding the Constitution on those two issues. Nevertheless, Hamilton worked hard and effectively in getting the Constitution ratified in New York. He made a name for himself during this period by combining with James Madison and John Jay in writing a series of 85 essays on the Constitution. Originally published in newspapers, these influential essays have been collected in book form. Known as *The Federalist Papers*, they are still regarded as the best examples of political writings by Americans.

As Washington's secretary of the treasury, Hamilton's ideas formed the basis for the government's economic policies. These policies helped establish the financial credit of the U.S. government and provided the country with a uniform currency. While holding his post, Hamilton found time to advance the cause of the Federalist party in hundreds of newspaper articles and personal letters.

Hamilton was influential in the administration of Washington's successor, John Adams. Hamilton also continued to play an important role in New York state politics. His activities there brought him into a deep personal rivalry with his political foe, Jefferson's vice president, Aaron Burr. When Burr challenged him to a duel, Hamilton accepted to prove he was not a coward. He died with Burr's bullet in his chest in Weehawken, New Jersey, on July 12, 1804.

Thomas Jefferson

Unlike Hamilton, Thomas Jefferson was an aristocrat by birth and a democrat by conviction. At age 14, the young Jefferson inherited his father's plantation and slaves. Soon afterwards, he entered William and Mary College, where he studied ancient history, literature, and law. He did not begin to practice law, however, until he was 24. Two years later, he was elected to the Virginia House of Burgesses and soon became involved in the movement for independence. As Virginia's delegate to the Second Continental Congress, Jefferson gained lasting fame by writing the Declaration of Independence, an expression of the ideals on which this country was founded.

Returning to his native state in 1779, Jefferson was elected governor. He served for two years, when he temporarily retired from politics following the death of his beloved wife. Jefferson never remarried but resumed an active political career. In his native state, Jefferson worked for freedom of religion, a system of public education, and an expanded right to vote. As a member of Congress under the Articles of Confederation, Jefferson worked to prohibit slavery in the Northwest Territory, which included present-day Ohio, Indiana, Illinois, Michigan, and Wisconsin.

Between 1785 and 1789, Jefferson served as America's ambassador to France, where he witnessed the beginning of the French Revolution. Returning from France, Jefferson was critical of the new U.S. Constitution, which he thought too aristocratic and lacking a bill of rights.

While serving as secretary of state, Jefferson opposed Hamilton on virtually every issue. Though he lost most of his battles with Hamilton, Jefferson did organize an opposition political party, called the Republicans (the forerunner of the present Democratic party). Following his term as secretary of state, Jefferson served as vice president under John Adams, and as president.

Jefferson, the man, was a bundle of internal contradictions. He was a slave owner who thought about abolishing slavery. He was known as an idealist, but succeeded in many practical areas. He was a brilliant writer, a skilled political organizer, an accomplished architect and inventor, but not a very effective president. He designed his lovely home Monticello, which is regarded as one of the most beautiful buildings in America. His inventions included an iron plow and a device for duplicating letters. His book, *Notes on Virginia*, contains some of the most careful observations of customs, manners, and geography recorded during his age.

Contrasting Philosophies of Hamilton and Jefferson

The following are among the best-known ideas from the writings of Hamilton and Jefferson. As you read them, try to understand not only the differences between these men, but the consistencies in the thoughts of each.

Whose Support Is Needed Most: The Rich or the 'Great Mass of People'

Hamilton

All communities divide themselves into the few and the many. The first are the rich and the well-born; the other, the mass of the people. The people are turbulent and changing; they seldom judge or determine right. Give therefore to the first class a distinct and permanent share in the government.

Our great error is that we suppose mankind more honest than they are. Our prevailing passions are ambition and interest; it will be the duty of a wise government to control these passions in order to make them subservient to the public good.[1]

Jefferson

Men...are naturally divided into two parties. Those who fear and distrust the people (and) those who identify themselves with the people (and) have confidence in them as the most honest and safe (for keeping a government in check). ...Whenever the people are well-informed, they can be trusted with their own government.

The mass of mankind has not been born with saddles on their backs, not a favored few booted and spurred, ready to ride them legitimately by the grace of God.[2]

National Government or Local Control

There is no reason to keep state governments the way we have them today. They are not necessary for any great purpose – neither for agriculture, commerce, revenue, or defense. Yes, they are necessary to administer laws – but not to make them. The states need not continue to have any great authority. We can all but abolish them and have one government for all the people of the country...[3]

Our country is too large to have all its affairs directed by a single government. Public servants at such great distance from under the eye of their constituents must be unable to administer and overlook all the details necessary for good government...and will invite public agents to corruption and plunder, and waste....Let the general government be reduced to...a very simple organization and a very inexpensive one; a few plain duties to be performed by a few public servants.[4]

On Rebellions

Beware, my dear sir, of magnifying a riot into an insurrection, by employing in the first instance an inadequate force. 'Tis better far to err on the other side. Whenever the government appears in arms, it ought to appear like Hercules, and inspire respect by the display of strength.[5]

...A little rebellion now and then is a good thing, and necessary in the political world as storms in the physical. It is a medicine necessary for the sound health of government.[6]

Hamilton **Jefferson**

On the Need for a Bill of Rights

A bill of rights is not only unnecessary in the proposed Constitution, but would even be dangerous. They would contain various exceptions to powers not granted; and on this very account, would afford a usable pretext to claim more than were granted. For why declare that things shall not be done which there is no power to do? Why, for instance, should it be said that the liberty of the press shall not be restrained, when no such power is given by which restrictions may be imposed?[7]

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.

A bill of rights is what the people are entitled to against every government on earth.[8]

On Industrializing America

...it is in the interest of nations to diversify the industrious pursuits of the individuals who compose them; that the establishment of manufacturers is calculated not only to increase the general stock of useful and productive labor, but even to improve the state of agriculture...[9]

...for the general operation of manufacture, let our workshops remain in Europe. It is better to carry provisions and materials to workmen there than bring them (here). The loss by the transportation of commodities across the Atlantic will be made up in happiness and permanence of government. The mobs of great cities add to government, as sores do to the strength of the human body.[10]

Chapter Questions

1. Identify or define and briefly tell the importance to this chapter of each of the following:
    - managing an important business
    - Elizabeth Schuyler
    - organized Federalist party
    - Aaron Burr
    - Declaration of Independence
    - beloved wife
    - Republican Party
    - view on the nature of man
    - views on the power of government
    - view on the need for a bill of rights
    - views on rebellions
    - views on industrializing

2. Summarize the beliefs of either Jefferson or Hamilton on at least four of the issues in this chapter. Come to class prepared to argue favoring the views of one and opposing the views of the other. Include a short statement on the biography of either man to support your case.

Sources

1. From *The American Spirit*, by Thomas Bailey (Boston, MA: Heath, 1965), p. 143.
2. From *The American Spirit*, p. 143.
3. Adapted from *The Records of the Federal Convention of 1787*, edited by Max Farrand (New Haven, CT: Yale University Press, 1966).
4. From *The American Spirit*, p. 154-155.
5. From *The American Spirit*, p. 156.
6. From *The American Spirit*, p. 156.
7. Adapted from *The Records of the Federal Convention of 1787*.
8. From *Thomas Jefferson and Democracy*, by Saul Padover (New York: New American Library, 1958), p. 47.
9. From *Great Issues in American History*, by Richard Hofstadter (New York: Vintage Books, 1958), p. 176.
10. From *Thomas Jefferson and Democracy*, p. 70.

CHAPTER 3: PAYING THE NATIONAL DEBT

During the American Revolution, the Continental Congress often was unable to collect contributions from the states. Without money, the government could not fight the war. It therefore used two necessary and practical means to raise funds. It printed paper money – about $400,000,000 worth. The money was used to pay soldiers and other government officials and to buy supplies. Congress also borrowed money by selling bonds. Bonds usually sold for about $75; with interest payments, the government was obligated to pay back $100. Including these interest payments, the national debt mounted to $50,000,000; the states owed another $20,000,000.

So much money had been printed that it lost almost all of its value. In 1780, Congressman Alexander Hamilton suggested the government buy or mint gold coins and exchange them at the rate of $1 in gold for every $40 in paper. Hamilton's advice was followed, and this new gold currency replaced the old paper money. In the process, the money the United States needed to pay back in gold was reduced from $400,000,000 to $10,000,000.

When the Constitution was written in 1787, most $100 government bonds were selling for about $20 because people thought the government would never pay back the original value printed on the *face* (called face value) of the bond. The Constitution stated that the existing debts would be paid by the new government. Most Americans thought that the bonds, like the paper money, would be paid off at some fraction of the original (face) value.

With the first session of Congress coming to an end in November 1789, the issue of repaying the federal debt (the government bonds) had not been raised. Congress had taken care of more immediate business. This business included organizing the executive branch of government, approving appointments to the cabinet and other positions, establishing the federal courts, passing a tariff (tax on imports) to raise money for the government, and drawing up a bill of rights. As Congress was about to adjourn, it received a petition from bondholders. They wanted the government to make good its promise to pay full face value for their bonds. Congress decided to ask Secretary of Treasury Alexander Hamilton to study the problem and suggest a solution.

Hamilton concluded there were three choices:

1. Pay the bonds at *face* value (the amount originally printed on the bonds).

2. Pay the bonds at *market* value (the actual selling price) – about $20 for a $100 bond.

3. Pay the original holders of the bonds at face value and those who bought the bonds from the original holders in order to make a quick profit at market value. Those who sold the bonds would be paid the difference between face and market value. This plan was called *discrimination* because it discriminated in favor of the original holders of government bonds.

This chapter explores which option should be used to pay the $50,000,000 national debt and the $20,000,000 state debt. It also examines whether the national government should pay the states' debts.

The Case for Face Value

Congress expected Hamilton to suggest paying market value for the bonds. In his report to Congress, however, Hamilton argued against reducing the government debt to save money. The national government would have to borrow money again, he reasoned. The best way for the government to establish credit would be to earn a reputation for paying its debts.

> Public Credit can be achieved only by a punctual performance of contracts. States, like individuals, who observe their engagements, are respected and trusted; while the reverse is the fate of those who pursue an opposite conduct.[1]

Hamilton also warned against making distinctions between the original holders of the bonds and those who bought them from the original holders. He pointed out that the bonds specifically promised to pay anyone who owned them.

In the debate over paying the debt, Congressman Fisher Ames supported Hamilton, saying:

> We all agree that the main reason governments are formed is to protect the property of people. Shall it be said that one of the first acts of this Government shall be to deprive citizens of this country of millions of dollars to which they are justly entitled? We may choose to cheat bondholders today. But, then how can we expect people to trust the Government to protect their safety and their liberty in the future?[2]

The Case for Market Value

While Congress debated how the debt should be repaid, many Congressmen began to buy government bonds. Since the market value of these bonds was about $20, many unsuspecting bondholders sold theirs for far less than the $100 Congress was about to repay. Hamilton's own assistant was among those buying bonds for themselves. Hamilton did not profit personally from his inside information. Nevertheless, many of Hamilton's friends and many members of Congress bought the bonds at market value and expected to collect face value.

One strong argument against paying the bonds back at face value was that most of the money would go to the people who had recently purchased the bonds. Another argument was the amount it would cost the government – $70,000,000. A third argument was that the bonds had been bought at a time of inflation, when prices were high. Congressman Livermore made the last of these three arguments:

> Much of our debt was lent in exchange for worthless paper money, or for goods and provisions sold at more than their real worth. It is very well known that those during the war who sold goods for these bonds raised their prices from six dollars (on the average) to ten dollars at the least.

> There are many good reasons we should consider these bonds worth far less than their face value. Indeed, every bondholder has considered them worthless from time to time. There was a time when they were considered of no greater value than 15 to 20 cents on the dollar. If that is what people thought they were worth, why should Congress pay them more?[3]

The Case for Discrimination

Originally Hamilton thought that James Madison would support his plan to pay face value, but Madison realized that much of the money would be paid to northerners – and that many would be Congressmen and others with inside information. Madison therefore came up with a plan that would pay the bonds back at face value only to the original holders of the bonds – those who bought them during the war when the money supported the country. Madison did not want to help the speculators, to whom he proposed paying market value:

> Only one course of action can be followed. Let the present holders of the bonds have the highest prices for which the bonds have sold, and let the rest go to the original holders. This will do more real justice and perform more of the public faith than any other plan. The present (holders) can not complain because they will get their investment back and more. The original holders who kept their bonds will get full face value. And the original holders who have sold their bonds will get the difference between the current (market) price and the value of their bonds. Thus they will get at least a tribute (token payment) from the country for lending money in time of its need.[4]

The Political Issue

Payment of the debt at face value, market value, or by discriminating between current and original holders was not merely a financial issue. It was a political issue as well. Hamilton never denied his intention was to win the support of wealthy businessmen. He thought their loyalty and willingness to invest money was essential to the success of the federal government and the nation's economy. Madison advocated discrimination to secure "more perfect justice" for the original creditors, and give more help to his friends and political allies in the South. Livermore hoped to save the government money by paying at something far less than face value, and not rewarding those who could afford to lend money during war-induced inflation (high prices caused by the war).

Assumption of State Debt

In addition to paying the debts of the national government at face value, Alexander Hamilton called for the federal government to assume the war debts still owed by the states. This would increase the national debt by approximately $20,000,000. Since some states had paid most of their war debts and others had not, assumption was as hot an issue as paying at face value. Because Hamilton would not agree to separate paying the national debt from paying the state war debts, Congress had to vote for or against the entire package.

Hamilton's proposal for paying both the state and national debts would cost the government about $70,000,000, a staggering sum for those days. Just paying the interest on the debt would cost the U.S. government 40 percent of its entire operating budget. One wonders, therefore, why Hamilton insisted on paying the state debt. His reason, most historians would agree, was to get wealthy Americans to look toward the national government, rather than the states, for financial favors and rewards. After all, Hamilton believed that the U.S. government could only succeed with the support of the rich and well born and that the country would prosper only if those people would invest their money in developing it.

Chapter Questions

1. Identify or define and briefly tell the importance to this chapter of each of the following:
    - paper money
    - bonds
    - face value
    - market value
    - discrimination
    - public credit
    - Fisher Ames
    - inflation
    - political aims
    - assumption
2. Prepare to state the case for one of the following options for handling the national debt:
    - paying the entire debt at face value
    - paying the national debt at market value and letting the states pay their own debt
    - paying the entire debt by discriminating between current and original holders
3. Elaborate on the case you have made to pay the debt by showing what is wrong with at least one other proposal, as well as indicating what is right about your own.

Sources

1. Adapted from *Annals of Congress, First Congress 1789-91* (February 9, 1790).
2. Adapted from *Annals of Congress* (February 9, 1790).
3. Adapted from *Annals of Congress* (February 11, 1790).
4. Adapted from *Annals of Congress* (February 11, 1790).

CHAPTER 4: HAMILTON, JEFFERSON, AND THE FIRST NATIONAL BANK OF THE UNITED STATES

Imagine going to a bank to borrow money. You want to go into business making stagecoaches. Ten are already on order, but you need $1000 to buy necessary tools and materials and to pay workers. You need money to start your business.

You meet with the president of the bank. He is impressed with your plans, and he would be willing to loan you the money. Unfortunately, he has already loaned out all of the cash in the bank's vault. You cannot start your business, and you, your customers, and your workers suffer as a result.

This story would likely not have happened in 1789 in England. A national bank in England could in effect print money to lend to borrowers. Much of this money could not be backed with either gold or silver coins. It could also be created to meet the needs of borrowers with good credit, collateral, or business prospects.

Alexander Hamilton knew how the Bank of England operated and wanted the U.S. government to start its own bank with branches in various states. Such a bank could create a uniform currency circulating through all the states and provide a place for the national government to deposit its money or borrow money when needed. Thomas Jefferson opposed this plan. He thought states should charter banks that could issue money. Jefferson believed that the Constitution did not give the national government the right to establish a bank. Hamilton disagreed. The argument between Hamilton and Jefferson over the bank led to a sharp debate. The bank became an important political issue in the 1790s, one that threatened to split the country.

This chapter examines the issue of the national bank. It explains how banks actually could print money to lend people. In addition the chapter examines whether a national bank was needed and whether the U.S. Constitution granted Congress the power to establish one.

How Banks Created Money

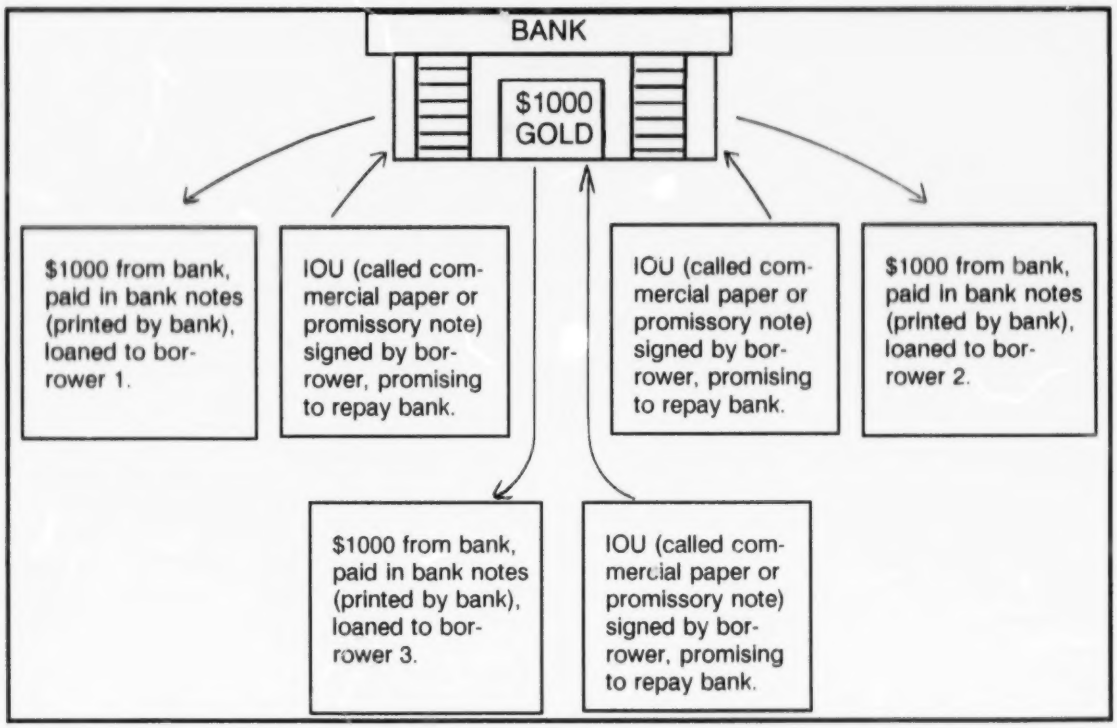
The diagram on the following page provides a highly simplified view of how the Bank of England created money. As you can see, the original $1,000 of gold on deposit in the bank generated $3,000 of loans. The money was only partially backed with gold. It was also backed by the collateral or business prospects of the borrowers. Three new businesses were formed, new products were made, and more workers were hired.

A danger of this system was that depositors of the money originally loaned to the borrowers would want to exchange the bank's paper money for coins of gold or silver. The bank might not have enough gold in its vaults to back up all of the money loaned out. To reduce this risk, banks were cautious to only loan about $3 for every dollar of gold in their vaults.

Hamilton Proposes the National Bank

Alexander Hamilton was well aware of the ideas on banking explained in these pages. In fact, he was a great admirer of the Bank of England. He paid this bank the greatest possible compliment by proposing to establish a national bank in the United States based on the principles used by its British counterpart. To be more specific, Hamilton drew up a plan to establish a bank that would:

- Have branches in every major city throughout the land.
- Issue money that would be equally acceptable in all parts of the nation.
- Help in the creation of new money through borrowing.
- Loan money to the government when needed.
- Serve as a place for the government to deposit its money.



- Help transfer money from one part of the country to another.

On December 16, 1790, Alexander Hamilton presented his *Report on a National Bank* to Congress. In this report, Hamilton made the following specific proposals to his bank:

- The bank's stock would be worth $10,000,000.
- 20,000 shares would be sold privately at $400 per share.
- Stockholders would pay $100 in gold and silver coin for each share and $300 in government bonds.
- 5,000 shares or $2,000,000 of bank stock would be bought by the U.S. government.
- The bank would be run by a 25-man board of directors, 20 chosen by the shareholders, 5 by the government.
- The bank's president would be elected by the board of directors.
- Notes and bills (money) issued by the bank would be redeemable on demand in gold and silver coin and would be accepted by the U.S. government for all payments due.
- The bank's charter would run for 20 years and would be subject to renewal by Congress.
- The bank would be allowed to establish branch offices in other cities; its main branch would be in Philadelphia, the nation's capital.

Jefferson's Objections to the Bank

Thomas Jefferson objected strongly to Hamilton's proposal for a national bank. Among the reasons he and his followers gave for their opposition, the following were the most important:

- With its special powers and privileges, the U.S. bank would hurt the development of state banks.

- The bank would be of far more help to wealthy businessmen in cities than to farmers in the country.
- The bank would be run by wealthy stockholders and would help this privileged class become more rich and powerful.
- The Constitution did not give the national government the power to establish a bank.

The Debate Over the Bank

The argument between Hamilton and Jefferson over the bank finally boiled down to one question: was it constitutional? Jefferson and his supporters lost that argument in Congress, which passed the Bank Bill in February 1791. Their last hope to stop the bank was to convince President Washington not to sign the bill into law. Jefferson quickly sat down to write his argument proving the Constitution did not give Congress the right to establish the bank. He finished on February 15th, placing his paper on Washington's desk. Hamilton saw Jefferson's paper and swiftly penned a reply, which he finished eight days later.

Both Jefferson's and Hamilton's arguments were based on the Constitution's Preamble, "elastic clause" (Article I, Section 8, clause 18), and Amendment X. The elastic clause gave Congress the right to make laws "necessary and proper" to carry out other powers given Congress. Did these words mean that Congress could start such large institutions as a government bank? Jefferson answered no—because Amendment X to the Constitution stated that any powers not specifically given the national government or specifically denied the states were given to the states or the people. But the Preamble to the Constitution stated the purposes for creating a new government, including forming a more perfect union and promoting the general welfare. Wouldn't chartering a bank fall under these purposes?

Hamilton's and Jefferson's arguments on this question[1] are presented below.

Jefferson in Opposition

I consider the foundation of the Constitution that "all powers not delegated to the United States, nor prohibited by it to the States, are reserved to the States." To take a single step beyond the boundaries that are specifically drawn around the powers of Congress, is to take possession of a boundless field of power, no longer susceptible of any definition.

It has been much urged (argued) that a bank will give great convenience in the collection of taxes....yet the Constitution allows only the means which are "necessary," not those which are merely "convenient"...there is not one (power) which ingenuity may torture into convenience, in some instance or other, to some one of so long a list of enumerated powers. It would swallow up all the delegated powers, and reduce the whole to one power...

Hamilton Favoring a Bank

..."Necessary" often means no more than needful, requisite, incidental, useful, or conducive to ...(A) restrictive interpretation of the word "necessary" is also contrary to this sound maxim of construction: namely, that the powers contained in a constitution ought to be construed liberally in advancement of the public good.

The means by which national emergencies are to be provided for, national prosperity promoted, are of such infinite variety, extent, and complexity, that there must of necessity be a great latitude of choice in the selection and application of these means. Hence, the necessity of exercising the authorities entrusted to a government on principle of liberal construction.

Chapter Questions

1. Identify or define and briefly explain the importance to this chapter of each of the following:
   - promissory note
   - create money

- national bank
- Bank of England
- elastic clause
- Amendment X
- necessary or convenient
- "swallow up all the delegated powers"
- "great latitude"

2. Explain how banks work to increase the supply of money.

3. Were Hamilton's arguments for the U.S. bank better than Jefferson's arguments against it? Explain your answer on the basis of (1) the need for a bank, and (b) the powers given Congress in the Constitution.

Sources

1. From *Documents of American History*, edited by Henry Steel Commager (New York: Appleton-Century-Crofts, 1963), pp. 157-160.

CHAPTER 5: THE WHISKEY REBELLION

A tax on whiskey? To Alexander Hamilton and the Federalists in the east, it seemed to be a good idea. Hamilton believed that industries that could bear the burden should pay taxes. To the average American family, which drank six gallons of whiskey a year, such a tax would cost about $1.50 annually. But to farmers in western Pennsylvania, Virginia, and the Carolinas, this was considered a tax on one of life's necessities. In the west, whiskey was used freely at weddings to toast the bride and at funerals to mourn the dead. Whiskey was believed to warm the body in winter and refresh the spirit in summer.

Whiskey had an even more important function in the western counties of Pennsylvania. Here whiskey was used as money. Cash! Whether in notes issued by the Bank of the United States, currency printed by state banks, or coins minted by the U.S. Treasury, money was seldom seen by farmers living in these remote areas. Whiskey was their main source of money. Twelve hundred pounds of wheat, oats, or rye could easily be distilled into 20 gallons of spirits, weighing 160 pounds. The liquor could then be loaded in jugs, slung across the back of a mule, and hauled some 300 miles from Pittsburgh to Philadelphia. There it would be sold at the price of $1 per gallon. Whiskey therefore became the one cash-producing product for these western farmers. Since it could so readily be exchanged for money, it was often used in the place of cash.

Farmers paid for their dry goods with whiskey, and merchants exchanged it for their next year's supplies. Even ministers' small salaries were often paid in part with this liquid.

Alexander Hamilton knew the independent ways of these western farmers. He also knew that a tax on whiskey would raise about $800,000 a year. The money was needed to help pay the national and state debts. While the tax of some 25 cents per gallon (25 percent on the dollar) would cost most families no more than $1.50 a year, it would take about $6 of the $20 the average farm family in western Pennsylvania saw in 12 months. To the farmers in this part of the state, who did not benefit from the payment of the debt at face value, $6 seemed to be a very high tax.*

The tax on whiskey led to a rebellion, which led Hamilton to call for a show of strength. He convinced Washington to raise an army of 13,500 soldiers to quell the rebellion. This chapter examines whether the rebellion was justified and whether the government was correct in putting the rebellion down instead of repealing the tax.

The Debate Over the Whiskey Tax

Alexander Hamilton's suggested tax on whiskey in 1791 caused a heated debate in Congress. James Jackson of Georgia thought the whiskey tax unfair and proposed a tax on "salaries, pensions, and lawyers." When told that the people should drink less whiskey, Jackson defended their right to get drunk. Hugh Williamson of North Carolina proposed that a tax be laid on beer and cider consumed in New England. He complained of the injustice of taxing people who opposed Hamilton's policy of paying face value for bonds and gained least from it. A common complaint among farmers was that raising money would benefit the wealthy speculator who "had bought the obligations (bonds) for a song and then corruptly influenced the government to pay them at face value."[1] Those who supported the tax pointed out that alcohol was a luxury (and a sinful one at that) and not a necessity. Others suggested the farmers raise the price of their whiskey and pass the tax on to the consumer. Many pointed out that the rich were already paying a tariff of 8 percent on imports, expending far more than $6 in taxes each year.

*Whiskey was not the only industry singled out for an excise tax. Snuff and lump sugar manufacturers were charged with a similar internal duty. These businesses survived by passing the cost of the tax on to the consumer.

James Madison and Thomas Jefferson remained quiet on the issue of the whiskey tax. They had made a deal with Alexander Hamilton. The deal involved moving the nation's capital from Philadelphia to Washington, D.C., in exchange for the federal government's assuming the states' unpaid revolutionary war debts. The whiskey tax was Hamilton's chosen method of paying for part of this obligation, and the two leaders did not suggest an alternative.

The Whiskey Rebellion

After the tax was passed, many of the farmers in the west remembered how the colonists had protested against England's policies. Tax collectors were tarred and feathered by angry mobs. Liberty poles with slogans against unjust taxation were planted in the ground. Committees of correspondence were formed, and several towns and counties passed resolutions stating why they opposed the whiskey tax.

Alexander Hamilton was quick to warn President Washington about the dangers of revolution. He advised the president to raise an army in order to stop the Whiskey Rebellion. Washington preferred to get voluntary obedience. He issued a proclamation calling for people to pay the tax and obey the law. He asked Congress to pass a law that would bring people accused of interfering with tax collection or law enforcement to trial in Philadelphia, some 300 miles from Pittsburgh – the scene of the disturbances. Farmers were quick to point out that their government was acting like George III, who wanted to bring colonists 3,000 miles to stand trial in England.

For some two years, the hated tax was collected without much open opposition. Then in 1794, violence broke out once more. Tax collectors were attacked, and U.S. soldiers coming to their aid were surrounded. A federal officer was killed, and an army of some 5,000 rebels prepared to march on Pittsburgh. On August 4, 1794, Supreme Court Justice and Founder James Wilson declared the western counties of Pennsylvania to be in open rebellion against the U.S. government.

The Rebellion Is Suppressed

Following Justice Wilson's announcement, President Washington made hasty preparations to suppress the Whiskey Rebellion. He raised an army of 13,000 men, which marched from Philadelphia with the president in command. After five days, however, Washington turned back, leaving Treasury Secretary Alexander Hamilton in charge.

The advance of this huge force and a terrible rain storm brought a quick end to the rebellion. Nevertheless, Hamilton insisted on keeping the army in the western counties through October and November. Hundreds of suspects were rounded up, and many were kept in corrals. There was only enough evidence to put 20 men on trial for conspiracy to commit rebellion. These men were brought 300 miles to Philadelphia, arriving on Christmas Day 1794. They were jeered and taunted by townsfolk as they were herded through the streets. Their trials lasted till the following summer.

Hamilton and Jefferson on the Whiskey Rebellion

"Beware my dear sir," Hamilton had once written, "of employing an inadequate force to put down a riot." Only the fear of punishment, the secretary of the treasury thought, would hold a nation together: "The government ought to inspire respect with a display of strength." At another time, he had written that communities divided themselves into the few (the rich and well-born) and the many (the masses of people). The rich and well-born, Hamilton believed, ought to rule. They would check the unsteadiness of the people and maintain good government.

Thomas Jefferson believed that the purpose of government is to protect the rights of its citizens, and that these rights include life, liberty, and the pursuit of happiness. The people have the right to rebel, Jefferson had written in the Declaration of Independence, when the government deprives them of their rights. He had also once written that a little rebellion now and then was a good thing – a medicine necessary for "the sound health of government." Although Jefferson had resigned from the cabinet by the time of the Whiskey Rebellion, he commented, "the first error was to pass it (the whis-

key tax); the second (error) was to enforce it; and the third, to make it the means of splitting this Union."

In Philadelphia, the federal court found only two of the 20 rebels guilty of conspiracy against the government of the United States. Using the power of his office, President Washington pardoned them both. For the next six years, the whiskey tax was collected, but it is doubtful that the revenue from the tax actually exceeded the cost of suppressing the rebellion. After he became president in 1801, Thomas Jefferson had the tax repealed.

Chapter Questions

1. Identify or define and briefly explain the importance to this chapter of each of the following:
   - uses of whiskey
   - amount of the tax
   - James Jackson
   - "bought the obligations for a song"
   - tariff
   - two examples of peaceful protest
   - two examples of violent protest
   - Washington's proclamation
   - corralling suspects
   - Hamilton's views on the rebellion
   - Jefferson's views on the rebellion
   - the 20 and the 2
2. Describe the Whiskey Rebellion and how it was suppressed.
3. Write a brief essay arguing that the Whiskey Rebellion was or was not justified. Begin with a thesis statement; then foreshadow two or three major arguments you intend to make. The main body of your essay should consist of two or three sentences supporting each of your arguments. Your essay should cover the ideas or principles for which the rebellion was fought, whether less violent alternatives had been exhausted, and whether the desired ends were accomplished.

Sources

1. From *Whiskey Rebellion: The Story of a Frontier Uprising*, by Leland D. Baldwin (Pittsburgh: University of Pittsburgh Press, 1939), p. 62.

CHAPTER 6: NEUTRALITY AND THE JAY TREATY

To live up to your agreements by helping an old friend in times of trouble, or to look out for your own country? This was the problem facing President Washington in 1793, while he was waiting for a visitor from France. The visitor, Edmund Genet, had recently been appointed French ambassador to the United States.

Washington knew that France and Britain had just gone to war and that Genet was going to ask for America's help. France had given the United States invaluable aid during the American Revolution, after the United States had signed a treaty with France in 1778. In this treaty, the United States promised to come to France's aid in a defensive war.

Now the French wanted to use American ports as bases from which to launch attacks on British ships. Furthermore, the French wanted permission to hire U.S. sailors to wage war on British merchant ships. Such acts undoubtedly would lead to counterattacks by Great Britain and could even involve America in another war with her former mother country. Washington's problem was to decide what to tell Genet. Should the United States provide aid or declare neutrality?

The French Alliance and the French Revolution

No one knew better than George Washington just how much the United States owed France. Without French money, French soldiers, and help from the French navy, the United States would probably have lost the American Revolution. Washington also knew the United States had committed itself to fighting on France's side in case of a defensive war.

The original treaty had been signed with King Louis XVI. The help his government had provided cost France dearly. It was partially responsible for an enormous financial crisis. The French government ran out of money, could not borrow any more, and had to call its Parliament (the Estates General) into session for the first time in 175 years.

Once the Estates General convened, it was not satisfied with merely raising taxes for a spendthrift King and government. The French people, who had lived under dictatorship for centuries, yearned to have a greater voice in how they were ruled. The Estates General began to make long-overdue reforms to improve the lives of the French people.

Many of the French nobles realized that changes were necessary and allowed the Estates General to proceed. The Estates General freed political prisoners and allowed people to speak out against the government of King Louis XVI. The new Parliament took away the rights of nobles to control the lives of peasants living on their land. Emboldened by the spirit of reform, French peasants revolted and seized the lands they had worked without pay for centuries. Meanwhile, the Estates General stripped the Catholic Church of its lands and special privileges.

News of these changes caused great rejoicing among Americans, who thought France was becoming a democracy. Indeed, the French had issued a proclamation of the rights of man that echoed the Declaration of Independence.

As time went on, the French Revolution became more radical. Deprived of their special privileges, French nobles fled to Austria and Prussia (now Germany). Here they plotted to invade their own country to restore the old government and their place in it. King Louis XVI secretly slipped out of Paris to join them, but the royal coach was recognized and the King was brought back to the capital. As rumors of plots against the Revolution spread through Paris, the king and his wife Marie Antoinette were put on trial for their lives. On January 21, 1793, the long blade of the guillotine crashed down on the king's neck; moments later, his severed head was held up to a cheering crowd. Others accused of opposing the Revolution were later killed in the "reign of terror," in which some 2,600 Frenchmen met the same fate as their hapless king.

Word of the king's death did not arrive in America until April 1793. At the same time, word arrived that France had gone to war with Britain and that Ambassador Genet was on his way to ask for American aid.

Advice from Hamilton and Jefferson

As in other times of national crisis, President Washington consulted with his cabinet. Once again, he received contradictory advice from Alexander Hamilton and Thomas Jefferson.

Hamilton wanted to avoid war with Great Britain. A full 75 percent of America's tax revenues came from tariffs collected when British goods were brought to the United States. A war with Britain would immediately halt this trade and the revenues that came from it. This would all but destroy the financial system that Hamilton had taken such great pains to build.

Hamilton told the president that the United States should not feel itself bound to its 1778 treaty with France. The French treaty, the Secretary of Treasury told Washington, was signed with King Louis XVI and his government. The present French government had executed the king; with him died any obligation the United States had to help France. Hamilton regarded the revolutionaries as a "monster with teeth."

Thomas Jefferson, on the other hand, was a great friend of France. He was thrilled that the French had adopted America's democratic ideal. The execution of the king and many of his nobles did not trouble Jefferson, who believed that the "tree of liberty" must occasionally be watered with the "blood of tyrants." America's loyalties must be greater to this democratic republic than to the government of Louis XVI and his ancient tyranny. Jefferson's support for the French Revolution, it should be noted, was based on his admiration for its reforms before the full extent of the reign of terror was known to him.

Jefferson thought it was better to risk war with Britain, a former enemy, than to insult a true friend. Failure to live up to the 1778 treaty, he warned, would give France just cause for war with the United States.

Even Jefferson was not completely opposed to turning France down and proclaiming neutrality. Rather than make that announcement as a free gift to Britain, he urged, the U.S. should get Britain to give something in exchange. Hamilton, however, didn't want other countries to think that the United States would sell its neutrality to the highest bidder.

The Proclamation of Neutrality

When Edmund Genet finally arrived in Philadelphia (he came overland after landing in Charleston, South Carolina), President Washington received him in a room decorated with a huge portrait of Louis XVI. If this were not enough to tell Genet that the United States would not aid France, the proclamation issued a few days later made that point. The proclamation warned American citizens not to aid France and committed the government to pursuing "a conduct friendly and impartial towards the belligerent powers (countries at war)." Once again, Hamilton had triumphed.

Mounting Tensions with England and Jay's Mission

If President Washington thought his proclamation would avoid difficulties with Britain, he was wrong. While fighting France, Britain would not allow France to trade with neutral nations. Thus, U.S. ships carrying food to France were forced into British ports and treated as prizes of war. More than 350 ships were taken by Britain in the West Indies alone. Furthermore, British warships stopped U.S. boats and impressed (kidnapped) American sailors, forcing them to serve in the British navy.

Britain's insults did not stop with attacks on the high seas. In 1794, Great Britain still occupied forts it had promised to leave in the treaty ending the American Revolution 11 years earlier. Now they were

not only building new forts, but promising this territory to the Indians in the event of a war with the United States.

While Jefferson had left the cabinet at the end of 1793, his followers in Congress wanted to retaliate against Britain. The Federalists still hoped to avoid war. In a final attempt to negotiate a settlement, Washington sent Supreme Court Chief Justice John Jay to Great Britain. Hamilton had recommended this appointment, but only after learning that he himself could not go. The appointment of the pro-British John Jay was bitterly opposed by the Jeffersonians.

The Jay Treaty

John Jay found the British unyielding on all the points he wished to negotiate. They would not allow American trade with France or with the French West Indians. Nor would the British promise to stop kidnapping U.S. sailors. The United States, however, had to promise not to let France use her ports to launch attacks on British ships. John Jay was unable to make any progress on those issues.

Britain gave in on a few points, however. The British agreed to leave the forts in the Northwest, though not for another two years. They promised to pay for goods taken from Americans in the West Indies, but only if America agreed not to trade molasses, sugar, cotton, and tea to any other country.

Although the Jay Treaty was very unpopular in the United States, President Washington advised that it be ratified by the Senate. Better a bad treaty, the President said, than none at all. Hamilton, who by this time had also resigned from his cabinet post, agreed. Rejecting the treaty, Washington warned, would risk war with Great Britain.

James Madison disagreed. He told Congress that Great Britain would not make war on a country that was the best market in the world for its manufactured goods.

According to the U.S. Constitution, two-thirds of the Senate must vote to ratify a treaty. Twenty of the thirty senators were Federalists; ten were Republicans. The Federalists had to hold all their votes in the Senate to win ratification.

Chapter Questions

1. Identify or define and briefly explain the importance to this chapter of each of the following:
   - Edmund Genet
   - Treaty of 1778
   - Estates General
   - Louis XVI
   - reign of terror
   - argument for proclaiming neutrality
   - argument against proclaiming neutrality
   - impressment and western forts
   - two provisions of the Jay Treaty
2. State at least two reasons for or against Washington's proclaiming neutrality and one reason why you disagree with a point made by the other side.
3. State at least two reasons for or against ratifying the Jay Treaty and one reason why you disagree with a point made by the other side.

CHAPTER 7: THE SEDITION ACT

In 1795, the Jay Treaty was ratified by the Senate, receiving the bare minimum votes needed – 20. All 20 Federalists in the Senate voted for the treaty; all 10 Republicans voted against it.

As the Federalists predicted, the treaty improved relations with Great Britain. Trade was restored, and war avoided. As the Republicans had warned, the treaty led to a complete breakdown in relations with France.

The Jay Treaty so angered France that this former U.S. ally began a policy of interfering in U.S. affairs. The French began by demanding that President Washington retire from politics and be replaced by someone more favorable to French interests. The French then attacked U.S. trade, capturing some 300 American ships.

President Washington retired from politics when his second term in office expired in 1797. In his farewell address, Washington warned the nation "to steer clear of permanent alliances, with any portion of the foreign world," asking Americans not to "entangle our peace and prosperity in the toils of European ambition."

Washington was succeeded by John Adams, who was at least as hostile to France. The French replied by expelling Adams's ambassador to France. Meanwhile, French leaders continued to spread their revolutionary doctrines, and French armies went on the warpath, attacking Austria, Prussia, and several Italian city-states. They made plans to cross the channel and invade Britain.

The XYZ Affair and Preparations for War

Hoping to avoid a war with France, President Adams appointed a special delegation of three well-known Americans, including a Republican, to negotiate with the French. These diplomats, Eldridge Gerry, Charles C. Pinckney, and John Marshall, left the United States in November 1797. When they arrived in Paris many weeks later, they found the French diplomats were not ready to meet them. Instead, they were informed by French agents identified only as X, Y, and Z that they would have to pay for the privilege of meeting French Foreign Minister Talleyrand. The price was a bribe of $250,000 and a loan to France of $12,000,000. The dumbfounded Americans were also told that the U.S. delegates had to denounce an alleged insult against France made by President Adams.

While Gerry remained in France hoping for a change of heart, negotiators Marshall and Pinckney returned to America; the full force of this diplomatic insult became known throughout the country. These revelations infuriated Americans. "Millions for defense, but not one cent for Tribute," became the watchword of American patriots. War with France suddenly seemed all but inevitable. Rumors abounded that the French were preparing for an invasion of the United States with an army of 200,000. Their plans, it was said, called for a slave rebellion in the South, a "party of mad Americans" ready to join the French in the West, and others planning to burn Philadelphia to the ground.

Congress began making preparations for this oncoming war, committing $250,000 to defend harbors, build ships, and raise an army of 10,000. Adams convinced George Washington to come out of retirement to lead the army, and Major-General Alexander Hamilton began recruiting and equipping soldiers to do the fighting.

The Sedition Act

In the midst of this war scare, Federalist leaders were under constant attack. While in office, even President Washington had not been immune; he had been called the "scourge and misfortune of our country." President Adams was roasted as "the blasted tyrant of America" and the "foremost in whatever is detestable." This violent criticism of the U.S. president at a time of national emergency prompted Congressman Allen of Connecticut to warn:

> Let gentlemen look at certain papers, and ask themselves whether an unwarranted and dangerous combination does not exist to overturn the Government by publishing the most shameless falsehoods against Representatives of the people.[1]

Under pressure from Allen and others, the Federalist Congress passed a bill entitled, "an act for the punishment of certain crimes against the United States." More popularly called the Sedition Act, it made the following acts illegal:

> Write, print, or publish any false, scandalous, and malicious statements against the government, Congress and the President of the United States, with the intent to bring them into contempt or disrepute.
>
> Any person prosecuted under this act (may) give as evidence in his defense, the truth of the matter contained in the publication.

Arguments for and Against the Sedition Act

Those opposing the Sedition Act claimed that it was a direct violation of the First Amendment to the Constitution, which stated:

> Congress shall make no law abridging freedom of speech or of the press.

In defense of this Act, Congressman Allen argued:

> Am I free to falsely call you a thief, a murderer, an atheist (a person who does not believe in God)? The freedom of press and opinions was never understood to give the right of printing lies and slanders, nor of calling for revolution and slaughter.
>
> Are we bound hand and foot that we must watch these deadly attacks on our liberty? God deliver us from the liberty of vomiting on the public, floods of lies and hatred to everything we hold dear. If any gentleman doubts the effects of such freedom, let me direct his attention to France; it has made slaves of thirty millions of men.[2]

An equally strong argument against the Sedition Act was made by Congressman Albert Gallatin of Pennsylvania:

> This bill makes anyone speaking or writing against the present Administration an enemy of the Constitution. If you put the press under any such restraint, you thus deprive the people of the means of getting the facts about their government and make the right of free elections worthless. This bill must be considered only as a weapon to be used by the party in power in order to keep their authority and present place.[3]

Despite Gallatin's warnings, the House of Representatives and Senate passed the Sedition Act. It was to last a little under two years, expiring the day before the next president was inaugurated.*

Ragged Matt, The Democrat

One intended target of the Sedition Act was Mathew Lyons of Vermont. Lyons had earned the hatred of Federalists for spitting in the face of Federalist Congressman Roger Griswold, who had criticized Lyons's record during the Revolution. Lyons had been attacked in a Federalist newspaper. He was called a "wild beast whose pelt resembles a wolf, is carnivorous, but has never been detected in having attacked a man, but reports say he will beat women."

Lyons's legal troubles started only after passage of the Sedition Act. Among other documents he had written was the following strong attack on President Adams:

> In this man we see every consideration of the public good swallowed up in a continual grasp for power, and an increasing thirst for ridiculous dress, foolish praise, and selfish greed.[4]

At another time, Lyons published the following letter, written by a Frenchman, as a campaign document:

> After hearing what insults President Adams had made of France, we (the French people) wondered why America's Congress had not ordered him sent to a mad house. Instead, the Senate repeated his speech with more slavishness than ever King George the Third experienced from Parliament.[5]

Mathew Lyons was soon indicted for "knowingly and maliciously" publishing certain false, scandalous, and seditious writings; he was brought to trial for violating the Sedition Act.

The Trial of Mathew Lyons

Mathew Lyons served as his own lawyer at his trial. He gave a two and one-half hour speech in his defense. In it he claimed his writings were not published with "bad intent"; what he said was true, and the Sedition Act was unconstitutional. He presented no other evidence than a cross-examination of the presiding judge, William Paterson of New Jersey. Lyons asked Paterson if he had dined with Adams and observed ridiculous pomp. Paterson replied that, on the contrary, he had seen "a great deal of plainness and simplicity."[6]

The prosecution in the case argued that the Sedition Act was constitutional. Judge Paterson told the jury it was not competent to rule on the question of constitutionality. The prosecution also claimed Lyons's statements were obviously false, malicious, and intended to harm the reputation of President Adams. Judge Paterson informed the jury that it had to determine whether Lyons had proved his statements true and, if not, whether his lies were malicious with the intent to defame.

Altogether, 15 individuals were prosecuted under the Sedition Act. They were all Republicans, political opponents of the Federalist president and his supporters in Congress and the judiciary. Ten, including the editors of three leading Republican newspapers and Mathew Lyons, were found guilty. Lyons served four months in jail, winning reelection to Congress while in prison. Since the presidential election was decided by the House of Representatives because no candidate had the majority of electoral votes, Lyons had the satisfaction of casting the deciding vote for President Thomas Jefferson! The Sedi-

* The expiration date of the Sedition Act was March 3, 1801. Acts to give the president the power to deport dangerous aliens and to increase the period before foreigners could become citizens were passed at the same time as the Sedition Act. Since most immigrants became Republicans, all three of these laws were criticized as intending to keep the Federalists in office.

tion Act expired on March 3, 1801, the day before Thomas Jefferson was inaugurated to secede John Adams as president of the United States.

Chapter Questions

1. Identify or define and briefly explain the importance to this chapter of each of the following:
    - French response to Jay Treaty
    - XYZ Affair
    - French threat
    - Congressman Allen
    - Sedition Act
    - First Amendment
    - Mathew Lyons
    - insults to Lyons
    - ridiculous dress, foolish praise, and selfish greed"
    - Judge Paterson
2. Summarize the arguments for or against the Sedition Act.
3. Make a case that Lyons violated the Sedition Act, or that he did not violate the act.
4. Do you believe the Sedition Act was more dangerous to our democracy than the problems it was trying to correct? Support your answer.

Sources

1. Excerpted and adapted from *Annals of Congress*, 5th Congress, 2nd Session, pp. 2093-94.
2. Excerpted and adapted from *Annals*., pp. 2097-98.
3. Excerpted and adapted from *Annals*., p. 2110.
4. Excerpted and adapted from *Freedom's Fetters*, by James Smith (Ithaca, NY: Cornell University Press, 1956), p. 226.
5. Excerpted and adapted from *State Trials of the United States During the Administration of Washington and Adams*, by Francis Wharton (Philadelphia, PA: 1849), p. 334.

Epilogue: The Virginia and Kentucky Resolutions

It might be said that in politics, as in physics, every action has an equal and opposite reaction. The Republicans reacted to the Sedition Act. The reactions were resolutions introduced and passed in the state legislatures of Virginia and Kentucky. The authors of these famous resolutions were James Madison and Thomas Jefferson.

Both resolutions argued that the Sedition Act was unconstitutional. They pointed out that Amendment I to the Constitution states the "Congress should make no law...abridging the freedom of speech or the press." Madison and Jefferson went further, implying that individual states could declare acts of Congress null and void. The Kentucky Resolution stated that the Sedition Act, "which does abridge the freedom of the press, is not law, but is altogether void and of no effect." In writing this resolution, Thomas Jefferson suggested that the states, which he said wrote the Constitution, could decide what laws the federal government had the right to make and enforce. Having called the Sedition Act unconstitutional, he invited other state legislatures to follow Kentucky's example.

Jefferson and Madison failed in their attempts to have other state legislatures declare the Sedition Act unconstitutional. In fact, nine states rejected the states' rights theory of the Virginia and Kentucky Resolutions. The Massachusetts lawmakers predicted that the states' rights theory would reduce the national government "to a mere cypher (zero) with the form and pageantry of authority without the energy of power."

Rejection of his theory by other states did not change Jefferson's thinking. In 1799, he wrote his friend Madison, expressing his willingness to "sever ourselves from the union we so much value, rather than give up the right of self-government which we have reserved, and in which alone we see our liberty and happiness." Despite the rejection of states' rights, this theory was used many times over the next 70 years to oppose laws that states did not like. In 1860-1861, it was used to justify secession.

Which do you think is a greater threat to our country – laws limiting free speech, such as the Sedition Act, or the states' rights theory supported by Jefferson and Madison?

CHAPTER 8: THE ELECTION OF 1800

As the Founders visualized the election of a president of the United States, a group of wise men, sufficiently detached from daily events, would decide objectively what was best for the country. The Constitution provided that each state could select a number of electors according to its combined representation in the House and Senate. These electors would cast two votes each for president, without stating which vote was for president and which was for vice president. These votes would be counted in the House of Representatives. The candidate with the largest number of votes would be president; the one with the second highest number would be vice president.

By the year 1800, what began as loose alliances of local issues had formed themselves into strong political parties. Each side had recognized leaders and shared a general outlook on political issues. Party members met and worked together, selected candidates, planned strategy, campaigned for their candidates, and smeared the opposition. Thus, in 12 short years the election of a president had become completely at odds with the vision of the Founders, becoming somewhat like elections of the 20th century.

This chapter covers the first real presidential campaign – the election of 1800. In this election, Federalist John Adams faced Republican Thomas Jefferson.

Background to the Conflict

The seeds of the conflict in 1800 can be traced back at least to the vision over ratification of the Constitution. The victory of the Federalists and the election of George Washington gave the Federalists a great deal of prestige. But even President Washington was not spared the political slander that rose out of issues associated with Hamilton's program to pay the debt at face value, establish a national bank, tax whiskey, suppress the rebellion, and protect industry with a tariff. With the Proclamation of 1793, the Jay Treaty, and the Sedition Act, the opposition increased.

Both parties were actually collections of interest groups. The Federalists included most of the men who had written and supported the Constitution. They were led by George Washington of Virginia, Alexander Hamilton of New York, John Adams of Massachusetts, and Charles Pinckney of South Carolina. The Federalists were often merchants, men owning large amounts of land, successful lawyers, and holders of government bonds. As store owners, businessmen, shipowners, captains, and men who had lent money at interest, the Federalists were often involved in trade. They hoped to unite the country under the umbrella of a strong national government, uniform currency, excellent credit, and respect for the law. Their foreign policy favored England, the source of their trade and a model of political stability.

The Republican leaders included Thomas Jefferson and James Madison of Virginia, Aaron Burr of New York, and Eldridge Gerry of Massachusetts. They included elite slave owners in the South and successful, middle-class farmers throughout the nation. Republicans also tried to reach down to gain support of workers in the cities. The people they represented asked little from the national government and opposed granting special favors to well-to-do speculators or investors. They looked to the states to protect their liberties and supported the ideals of the French Revolution. Their foreign policy generally was pro-French.

The Election of 1800

By 1796, both Federalists and Republicans had formed national political parties, the first in the world. Debates over political issues had solidified opinions on both sides. Each side had established newspapers to present their opinions to the people. Committees were established to make decisions and organize campaigns. Strategy was planned, and steps were taken to instill party discipline. People were wooed by attending places where free food and drink were provided. Party rallies were held at such times as the 4th of July and on Washington's birthday.

The Republicans mounted their first serious challenge to the Federalists in 1796. They fell just three votes shy. Their candidate, Thomas Jefferson, had to settle for the post of vice president under the Federalist, John Adams. In 1800, John Adams wanted to be reelected, but he had split the ranks of the Federalists by making peace with France. Heading a divided party, Adams and his running mate, Charles C. Pinckney, faced the ticket of Thomas Jefferson and Aaron Burr.

Thomas Jefferson and John Adams are highly respected by historians as patriots who devoted much of their lives to public service. They had known each other for at least 25 years before running against one another. They were friends. The campaign propaganda of the period[1] shows how influential political parties can override the bonds of friendship.

A Republican Campaign Sheet

Thomas Jefferson is a firm REPUBLICAN, John Adams is an avowed MONARCHIST. Thomas first drew the declaration of American Independence – he first framed the sacred political sentence that all men are born equal. John Adams says that this is all a farce and a falsehood; that some men should be born Kings, and some should be born Nobles. Will you, by your votes, make the avowed friend of monarchy President? – or will you permit others to saddle you with Political Slavery? Adams has sons who might aim to succeed their father; Jefferson, like Washington, has no son.

DO YOU WANT:

Patriots of the Revolution condemned and stigmatized? The reign of terror, created by false alarms to promote domestic feud and foreign war; systems of fraud and plunder by public servants; Priests and Judges incorporated with the Government for political purpose?

A Federalist Address to the Voters

Can serious and reflecting men look about them and doubt, that if Jefferson is elected – that those morals which protect our lives from the knife of the assassin – which guard the chastity of our wives and daughters from seduction and violence – defend our property from plunder, and shield our relation from contempt, and not be trampled up and exploded?

This is the 12th year of our government, and is it not as free and republican as it was the first year? If the Jeffersonites wish more republicanism, what must it consist in? In the licentiousness (wild abandon) of anarchy, which is the worst tyranny.

THE GRAND QUESTION STATED:

At the present solemn and momentous epoch, the only question to be asked by every American, laying his hand on his heart is, "shall I continue allegiance to God and a RELIGIOUS PRESIDENT, or impiously declare for JEFFERSON – AND NO GOD!!!

Chapter Questions

1. Define or identify and briefly explain the importance to this chapter of each of the following:
    - electors
    - "Monarchist"
    - "some men should be born"
    - "reign of terror"
    - "those morals"
    - "more Republicanism"

2. Write a poem or campaign speech or draw a cartoon or campaign poster supporting your candidate for president in 1800 and criticizing his opponent. Exaggerate the good in your candidate and the evil in the other. Use accusations made in this chapter, as well as what you learned in previous chapters.

Or

3. Write an essay stating whether the Federalists deserved to be reelected based on their record. Your essay should have a thesis, foreshadow major arguments, and contain at least a paragraph for each major idea you foreshadowed.

   Two example statements presenting a thesis and foreshadowing are given below:

   > The Federalists deserved to be reelected because they built the nation's economy, were firm with political opposition, and kept the nation out of war.
   >
   > The Federalists did not deserve to be reelected because they hurt the poor while helping the rich, betrayed an ally, and suppressed the opposition.

   Some of the things you might consider in writing your essay are:

   - Who should rule – those who don't trust the people or those who do?
   - Which is preferable – national power or local control?
   - Which was needed – a bill of rights or the Sedition Act?
   - How should rebellions be dealt with – by immediate suppression or accepting them as a necessity?
   - Was the future of America farming or industry?
   - Was Hamilton's program good for the country? (Consider paying the national debt and assuming the states' debts at face value, the whiskey tax, the national bank and the elastic clause, the Proclamation of Neutrality and the Jay Treaty.)
   - Which was more dangerous – the Sedition Act or the Virginia and Kentucky Resolutions?

Sources

1. Quoted in *The Jeffersonian Republicans: The Formation of a Party Organization, 1789-1801* (Chapel Hill, NC: University of North Carolina Press, 1957), pp. 213-214.

CHAPTER 9: JEFFERSONIANS IN OFFICE

Politicians are often accused of making campaign promises they do not intend to keep. This charge has been made against Thomas Jefferson and James Madison. While the Federalists had held the presidency, Madison and Jefferson opposed paying the national debt at face value, opposed the Bank of the United States, opposed the Jay Treaty, and opposed a broad interpretation of the Constitution's elastic clause. Yet, once in power, they changed their position on each of these issues. As you read this chapter on what Thomas Jefferson and James Madison did as president, try to decide whether these men were hypocrites who changed their political philosophies, or if they just did what was best for the country. Also examine the actions of the Federalists and try to decide whether they changed their principles to do what was best for themselves.

Jefferson's Election and Inaugural Address

When all the ballots were counted in 1800, each candidate on the Republican ticket (in those days electors cast two votes for president), Thomas Jefferson and Aaron Burr, had 73 electoral votes. John Adams had 65 electoral votes; his running mate Charles Pinckney of South Carolina had 64. With no clear victor, the election was thrown into the House of Representatives, where each state had one vote. The count after the first ballot was eight states for Jefferson, six for Burr, and 2 divided. Another vote in the House produced the same result. The winner was not determined until the 37th ballot, when Delaware changed its vote and made Thomas Jefferson the third president of the United States.

In his inaugural address, Thomas Jefferson stated his own philosophy of government, in words as eloquent as those he used in the Declaration of Independence.

> All, too, will bear in mind this sacred principle, that though the will of the majority is in all cases to prevail, that will to be rightful must be reasonable; that the minority possess their equal rights, which equal law must protect, and to violate would be oppression.
>
> Sometimes it is said that man can not be trusted with the government of himself. Can he, then, be trusted with the government of others?...
>
> A wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned.[1]

It still remained to be seen just how much Thomas Jefferson would differ from the two Federalists who preceded him.

Jefferson as President

Once in office, Jefferson's style of leadership differed from that of Washington and Adams. He abandoned the Federalist practice of holding weekly receptions, much in the style of British and French kings. Nor did he deliver his speeches to Congress, but sent them by messenger to be read. Unlike his married predecessors, Jefferson, who was a widower, held few formal state dinners. He did hold open house mornings, when all who wanted could come and visit.

President Jefferson disappointed members of his own party by not removing Federalists from government jobs and replacing them with loyal Republicans. Furthermore, Jefferson did not reverse long-established Federalist policies that seemed to be working. For instance, he did not try to renegotiate the Jay Treaty, close the national bank, or scale down the federal debt as many Federalists feared.

Nevertheless, Jefferson did follow his own policies in regard to the Sedition Act and the whiskey tax. The former was allowed to expire on March 3, 1801, with Jefferson making no attempt to renew it.

The latter was repealed, saving western farmers and costing the U.S. government $650,000 per year. To save money, Jefferson reduced the army and the diplomatic force.

The Louisiana Purchase

In 1800, Americans received disturbing news from abroad. France, under Napoleon's leadership, had taken Spain and secured the vast territories west of the Mississippi River, as well as New Orleans. New Orleans was the most important port in America, accounting for three-eighths of all U.S. trade.

Hoping to avoid a confrontation with France over New Orleans, Jefferson sent James Monroe to negotiate a treaty with France. Monroe was instructed to offer no more than $10 million for New Orleans and its immediate surrounding territories. If France refused, Monroe was to go to Britain and negotiate an alliance against France.

Fortunately for the United States, Monroe never had to approach the British. A slave rebellion in Haiti, followed by an outbreak of yellow fever, changed Napoleon's plans for New Orleans. Without a base in the Caribbean and facing a renewed war with Great Britain, Napoleon decided to sell New Orleans and the entire western bank of the Mississippi and Missouri as far west and north as Montana (see map). This area was one-third the size of the present United States. At the asking price of $15,000,000 or 3 cents an acre, Napoleon offered the United States the best land bargain in recorded history.

Though not authorized to spend more than $10,000,000, James Monroe dared not wait to get President Jefferson's approval before accepting this tempting offer. After all, Napoleon might change his mind at any time. So James Monroe and John Livingston, U.S. ambassador to France, signed the treaty for what is known in history as the Louisiana Purchase. Upon learning of the treaty, Republicans were joyous. But Jefferson harbored some last-minute reservations. Though he wanted to obtain this new land for his country, Jefferson worried because the Constitution did not specifically grant him the right to purchase land from foreign countries. Jefferson put these reservations aside and reasoned that the elastic clause could be used to justify the purchase of Louisiana. Surprisingly, objections rose not from Republicans, but from Federalists. Forgetting their own part in acquiring a $70,000,000 debt and stretching the elastic clause to establish the U.S. bank, Federalists voiced their objections to the Louisiana Purchase. It was too expensive, they claimed, and the Constitution nowhere granted the power to buy land from foreign countries.

The Federalists' real fear concerning the Louisiana Purchase was not the integrity of the Constitution or the ability of the United States to pay its debts. The real objection was that the new territories would be settled by farmers, thus increasing the number of voters who would vote Republican.

The Federalists' opposition to the Louisiana Purchase only served to discredit their party. The purchase completed four highly successful years for the Republicans. As a result, Jefferson was reelected in 1804 with 62 electoral votes, compared to 14 for Federalist Charles C. Pinckney of South Carolina.

American Neutrality Revisited

The fruits of Jefferson's victory were shortlived. Not long after selling Louisiana to the United States, Napoleon resumed his war with Great Britain. This war lasted for the next 10 years. During much of this period, the United States was a pawn in a global chess game between the two greatest powers on earth.

For two years, Americans profited because supplies in Europe were short, providing a ready market for American goods. Then Great Britain, the greatest sea power, attempted to blockade France, the greatest power on the continent of Europe. Both tried to deny the other the chance to trade with the United States. Great Britain insisted on the right to search all U.S. vessels sailing to Europe. France grabbed all U.S. ships that did business with Great Britain.

Violations of American neutrality rights became ever-more blatant, as the life-and-death struggle in Europe became more deadly. In 1807 the British began an old-time practice of theirs – seizing U.S. sailors on American ships and forcing them to serve in the British navy. If this was not bad enough, the British made a bold attempt to seize American ships only ten miles from U.S. shores. In 1807, the British H.M.S. *Leopard* opened fire on the *Chesapeake* because the latter refused to submit to a search for British deserters. The British killed three sailors and then boarded the ship and dragged off four alleged deserters. Public opinion in the United States was so angered by British violations of U.S. neutrality rights that Jefferson feared he might be forced to declare war against Great Britain. Rather than go to war, Jefferson was willing to forsake neutrality rights and international trade. Consequently, in late 1807, President Jefferson announced a new U.S. policy – a trade embargo on every foreign country.

Embargo

The embargo (stopping of all trade) was designed to hurt the British and stop their violations of Americans rights as a neutral country. The British were not badly affected by the trade embargo, however. They were fortunate to have bumper harvests that year and opened up new trade routes to Spain. The embargo did its greatest damage in New England. American ships were forced to remain idly in harbors, goods piled up on wharves, and unemployment became a way of life. Secret trading with Canada appeared but was not enough to make up for the losses. The embargo became so unpopular that Congress gave in to popular pressure and repealed the act shortly before the end of Jefferson's second term of office.

A dejected Jefferson now turned over the difficult problems of defending America's rights to his chosen Republican successor, James Madison. It became Madison's unpleasant task to enforce a newly passed substitute for the embargo. Known as the Non-Intercourse Act of 1809, this measure formally reopened trade with all nations except Great Britain and France. In 1810, a new wrinkle was added to this policy in a law known as Macon Bill #2. Under this new law, trade with Britain and France was resumed, but the United States would stop trade with whatever country of the two did not stop violating U.S. neutrality rights.

Pressure to Wage War With Britain

France's Emperor Napoleon Bonaparte decided to use provisions of the Macon Bill to fool the inexperienced American diplomats and government officials. He claimed to repeal his orders prohibiting exports to Great Britain. On the strength of Napoleon's claims (which in fact France did not honor), the

United States stopped trading with the British in November 1810. With this act, the movement leading to war with Britain began in earnest.

In 1811, Congress met and elected Henry Clay of Kentucky as its speaker. Clay was the outspoken leader of a group of Congressmen representing Ohio, Kentucky, and Tennessee. One of their objectives was to invade Canada and make it part of the United States. They also intended to defeat the Indians in the Ohio River Valley. Since the Indians were supplied by British forces in Canada, these two objectives were closely related. Pressured by these "War Hawks," President Madison asked for a declaration of war against Great Britain, which was granted on June 18, 1812.

If the aim of the war had been to defend America's rights as a neutral country, it should have been stopped before it began. Two days before Congress voted to declare war, the British had announced they were ready to open trade with the United States again. But the United States had real grievances against the British. Between 1808 and 1811, some 6,000 sailors had been taken off U.S. ships and forced to serve in the British navy. The British claimed all these men were British deserters, but many were Americans. Most of the support for this war, however, did not come from the states whose ships and sailors were affected. Instead, the support came from states far inland, who were interested in taking Canada or stopping the British from aiding Indians in the West.

Several Defeats and a Glorious Victory

America was totally unprepared for the War of 1812. Several attempts to invade Canada failed, twice because the New York state militia refused to fight in Canada. Control over the Northwest actually fell into British hands before Oliver Perry won a naval victory on Lake Erie, and General William Harrison defeated the British and their Indian allies in the Battle of Thames. An American raid on the Canadian capital ended with burning of the Parliament building. The British got even by taking Washington, D.C., and burning its government buildings. The British army, however, was defeated at Baltimore (on the night that Francis Scott Key wrote the "Star Spangled Banner") and sailed out to sea.

The most decisive battle of the war was fought in New Orleans. Over 2,000 British soldiers were killed or wounded in this battle; American losses amounted to fewer than two dozen. Andrew Jackson was the American commander; his untrained soldiers included frontiersmen, pirates, state militia, and two companies of free black Americans. A peace treaty had already been signed in Ghent, Belgium, two weeks before. Although the battle did not affect the war's outcome, it gave the United States a military hero, Andrew Jackson. It also filled the United States with national pride for having inflicted such a decisive loss on the British.

The War of 1812 ended on Christmas Eve, 1814, with the signing of the Treaty of Ghent. The treaty stated that both sides would stop fighting and return all conquered territory to the other. The treaty said nothing about the violation of U.S. neutrality rights, which supposedly had been the cause of the war. Since fighting in Europe had ended, British violations had ceased and there was no need to reach an agreement on the issue.

The Downfall of the Federalists and the Acceptance of Their Policies

For the New England Federalists, the war had been an economic victory but a political disaster. Trade with the enemy flourished throughout the war, and Federalist New England emerged as the most prosperous section of the country. Federalist-controlled state governments either refused to provide soldiers, or militia refused to fight outside state boundaries. Furthermore, Federalists discouraged individuals and banks from lending money to the hard-pressed government during the war.

In their final folly, New England Federalists met in Hartford, where they made a series of suggestions to reduce the power of the national government. They even hinted at secession if their suggestions weren't adopted. With incredibly bad timing, the Federalists arrived in Washington, D.C., at the same time as word of Jackson's victory in New Orleans reached the nation's capital.

The Federalists' desire to reduce the power of the federal government and their less-than-patriotic actions during the war contrasted sharply with the national pride felt in the rest of the country. As a result, the Federalist party was held in contempt outside of New England and ceased to exist as a national political force.

Ironically, while the War of 1812 led directly to the downfall of the Federalist party, it also brought Republicans to accept Federalist programs. Because of the difficulty of waging war without a centralized banking system, President Madison proposed the reestablishment of a national bank. His proposal was accepted by a Republican Congress, and the second Bank of the United States was chartered in 1816 (the first charter had only been good for 20 years). Madison also called for a protective tariff, and in 1816 his Republican Congress passed the first such tariff in America's history. Though rejecting proposals for the U.S. government financing local roads, Madison approved funds for the continuation of the national road, which was regarded as a military necessity.

Chapter Questions

1. Define or identify and tell the importance of each of the following:
    - changing political principles
    - 73 electoral votes
    - "minority possess their equal right"
    - "man can not be trusted"
    - Sedition Act and whiskey tax
    - New Orleans
    - slave rebellion
    - Louisiana Purchase
    - Federalists' objections to the Louisiana Purchase
    - pawn
    - *Leopard* and *Chesapeake* incident
    - embargo
    - Macon Bill #2
    - "War Hawks"
    - paying debt at face value, Jay Treaty, and national bank
    - 6,000 sailors
    - Battle of New Orleans
    - unpatriotic actions by Federalists
    - Hartford Convention
    - Bank of the United States, protective tariff, and national road
2. Support or refute the following statement:

    Thomas Jefferson and James Madison were hypocrites who supported one set of political ideals while out of office only to reverse themselves and accept a completely different set of ideas once in office.

3. Could the opposite be said about the Federalists -- they supported one set of ideals in office only to reverse themselves once out of office? Explain.

4. Note the several different methods used to avoid war with Britain and France. Do you think they were wise? Do you believe the United States should have gone to war against Great Britain to protect American neutrality rights? Does anything about Britain's willingness to resume trade with the United States, or about the war itself, change your mind? Explain.

Source

1. Quoted in Richard Hofstadter, *Great Issues in American History*, Volume I (New York: Vintage Books, 1958), pp. 187-88.